

FINANCIAL REPORT

STATE OF KANSAS



1987 FISCAL YEAR

Department of Administration

Division of Accounts and Reports

STATE OF KANSAS

Department of Administration

Division of Accounts and Reports

FINANCIAL REPORT

For Period

July 1, 1986 to June 30, 1987



MIKE HAYDEN

Governor

H. EDWARD FLENTJE

Secretary of Administration

DEPARTMENT OF ADMINISTRATION

JAMES R. COBLER

Director

DIVISION OF ACCOUNTS AND REPORTS

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DEPARTMENT OF ADMINISTRATION
DIVISION OF ACCOUNTS AND REPORTS

MIKE HAYDEN
Governor

JAMES R. COBLER
Director of Accounts and Reports

Landon State Office Building
Topeka, Kansas 66612-0001
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October 30, 1987

The Honorable Mike Hayden
Governor of the State of Kansas

Dear Governor Hayden:

Submitted herewith is the thirty-fourth Annual Financial Report of the State of Kansas prepared by the Division of Accounts and Reports, Department of Administration, in compliance with K.S.A. 75-3735 and the requirements contained therein.

This report includes a summarization of the financial transactions recorded in the central accounting records for the fiscal year ending June 30, 1987. These financial transactions are summarized into nine major fund class groupings which are found in Sections II through X. In addition, information pertaining to the general long-term obligations account group of the State is provided in Section XI. Notes to the financial statements are found in Section XII.

Of particular interest, is the condition of the State General Fund which reflects a balance at June 30, 1987, of \$62,356,154.11 that is available to finance appropriations of the succeeding fiscal year. Also of particular interest are the payments in the form of aid to local government units that amounted to \$839,977,234.48 or 48.5 percent of the expenditures made from the State General Fund during fiscal year 1987. For additional highlights pertaining to some of the major elements of the state's operation for this period, your attention is invited to the section of the report entitled "Highlights of Selected Financial Activities".

More detailed information pertaining to individual funds and other miscellaneous financial information will be published in a supplemental volume at a later date.

If this office can provide additional information or answer any questions concerning items contained in this report, please let me know.

Respectfully submitted,

James R. Cobler, Director
Division of Accounts and Reports

JRC:tja

STATE OF KANSAS
HIGHLIGHTS OF SELECTED FINANCIAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 1987

STATE GENERAL FUND

The State General Fund is maintained to finance all authorized governmental activities not provided by special funds. Revenues not dedicated for special funds by law are deposited into the State General Fund. Disbursements from the State General Fund are authorized by legislative appropriation acts.

Information on the State General Fund transactions are presented below and on the following pages through the use of charts, graphs, statements and comments. Additional details on the revenues, expenditures, appropriations and balances of the State General Fund are presented in Section II of this report.

The unencumbered cash balance available to finance succeeding fiscal year appropriations at June 30, 1987 increased to \$62,356,154.11. This increase is primarily due to a decrease in expenditures and demand transfers for fiscal year 1987 of \$6.97 million and an increase in fiscal year 1987 revenue of \$137 million.

A comparison of the unencumbered cash balance of the State General Fund at June 30, 1987, and June 30, 1986, is presented in the statement below. A graph showing revenues, expenditures and available balances at the close of fiscal years 1978 through 1987 is presented on page ix of this report.

STATE GENERAL FUND
COMPARISON OF RESOURCES AVAILABLE FOR APPROPRIATIONS
FOR THE FISCAL YEARS ENDING JUNE 30

	<u>1987</u>	<u>1986</u>
Cash with State Treasurer at June 30 -----	\$113,899,419.75	\$ 62,137,168.62
Less Outstanding Obligations:		
Unredeemed Warrants -----	\$ 24,723,263.57	\$ 20,894,710.63
Unliquidated Encumbrances -----	15,922,946.30	21,563,642.43
Appropriation Balances Reappropriated -----	10,897,055.77	21,338,343.19
Total Outstanding Obligations at June 30 ---	\$ 51,543,265.64	\$ 63,796,696.25
Unencumbered Cash Balance Available to Finance		
Succeeding Fiscal Year Appropriations at June 30 --	\$ 62,356,154.11	\$ (1,659,527.63)
Less Amount Available for the KPERS Quarterly		
Employee Distribution to be Financed from		
Succeeding Fiscal Year Appropriations (Note 1) ----	\$ 22,572,897.00	\$(10,559,191.00)
Unencumbered Cash Balance Available to Finance		
Succeeding Year Appropriations Net of Accrued		
Liabilities at June 30 -----	\$ 39,783,257.11	\$(12,218,718.63)

Note 1 -- This represents the amount of employers' contributions payable to the Kansas Public Employees Retirement Fund for certain educational-related employees which accrued during the 3rd and 4th quarters of fiscal year 1987 or the 4th quarter of fiscal year 1986. See Section XII, Note 21.

STATE GENERAL FUND REVENUES

State General Fund revenue collections for fiscal year 1987 were \$1.78 billion as compared to \$1.64 billion for fiscal year 1986. This amounted to an increase of \$137.1 million, or 8.4 percent. An analysis of the sources of revenue discloses that \$1.8 billion, or 99.0 percent of the total fiscal year 1987 revenue was derived from tax sources. The non-tax sources of revenue amounted to \$17.2 million, or 1.0 percent of the total revenues. Page vii of this report presents pie charts showing percentages of total revenues collected. The statement pre-

sented below indicates that the major shifts in State General Fund revenues were an increase in Sales and Compensating Use Taxes (\$166.1 million) which was due to a tax rate increase and a decrease in the Severance Tax on Minerals (\$34.9 million) with a net increase in the remaining tax revenues of \$35.6 million. The non-tax revenues show an overall decrease of \$29.9 million which is reflected primarily in the category of Transfers of Revenue (\$21.6 million). A detailed comparative statement of operating and non-operating revenue for the State General Fund is provided in Section II of this report.

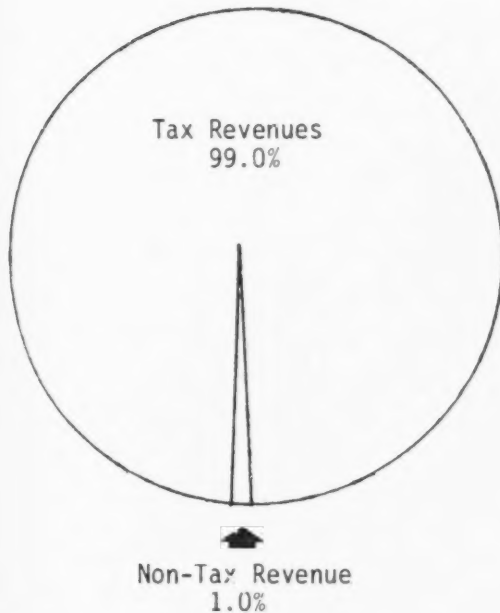
STATE GENERAL FUND COMPARATIVE STATEMENT OF REVENUE FOR THE FISCAL YEARS ENDING JUNE 30

Amount in Thousands

TAX REVENUES	1987	1986	Increase (Decrease)
Property -----	\$ 10,946	\$ 8,060	\$ 2,886
Income and Inheritance -----	797,357	767,763	29,594
Sales and Compensating Use -----	726,833	560,718	166,115
Cigarette -----	60,269	58,059	2,210
Cereal Malt Beverage -----	4,284	4,622	(338)
Liquor Enforcement -----	18,246	17,743	503
Liquor Gallonage and Private Club -----	14,110	13,867	243
Tobacco Products -----	1,375	1,289	86
Corporation Franchise -----	8,570	8,342	228
Wheat -----	103	122	(19)
Car Companies -----	765	838	(73)
Insurance Companies -----	60,972	60,680	292
Bingo Tax -----	258	247	11
Transient Guest Tax -----	97	85	12
Motor Vehicle Dealer's -----	54	53	1
Severance Tax on Minerals -----	57,079	92,011	(34,932)
Other Gross Receipts -----	10	10	0
TOTAL TAX REVENUES -----	1,761,328	1,594,509	\$ 166,819
NON-TAX REVENUES			
Agency Earnings:			
Service Charges -----	6,384	7,001	(617)
Licenses, Permit and Registrations -----	4,811	4,389	422
Sales of Commodities -----	1,712	1,692	20
Grain Marketing Assessments -----	97	78	19
Total Agency Earnings -----	13,004	13,160	(156)
Revenue From the Use of Money and Property -	35,594	42,914	(7,320)
Gifts, Donations and Grants -----	8	15	(7)
Other Non-Tax Revenues -----	19,500	20,085	(585)
Transfers of Revenue (Net) -----	(50,891)	(29,255)	(21,636)
TOTAL NON-TAX REVENUES -----	17,215	46,919	(29,704)
GROSS REVENUE -----	\$ 1,778,543	\$ 1,641,428	\$ 137,115

TOTAL STATE GENERAL FUND REVENUES \$1.779 BILLION

TOTAL REVENUE



TAX REVENUES

Severance Tax	3.2%
Insurance Company Taxes	3.5%
Cigarette Tax	3.5%
Alcoholic Liquor Taxes	2.0%
Other Taxes	1.2%
	13.4%



STATE GENERAL FUND EXPENDITURES

State General Fund expenditures for fiscal year 1987 totaled \$1.731 billion as compared to \$1.738 billion for fiscal year 1986. This represents a decrease of \$6.97 million or .4 percent. The analysis of expenditures by object categories presented in the statement on the following page shows that the major decrease is primarily reflected in Salaries and Wages (\$9.2 million, or 1.8 percent under last fiscal year). All other categories show a net increase of 2.2 million, or .18 percent more than last fiscal year.

The analysis of expenditures by function of government presented in the statement on the following page shows that the major decreases are in Education and Research (\$35.6 million, or 3.2 percent under last fiscal year) and Highways and Other Transportation (\$16.6 million, or

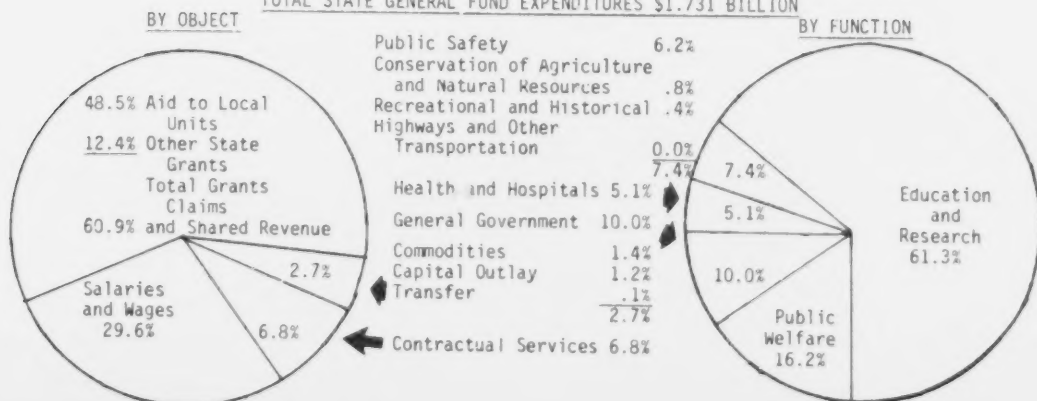
100 percent under last fiscal year). All other functions of government show a combined increase of \$44.9 million, or 7.2 percent more than last fiscal year. The variance in the Public Welfare and the Health and Hospitals functions includes the shift of expenditures caused by the reclassification of the Department of Social and Rehabilitation Services-Mental Health and Retardation Services expenditures from the Health and Hospitals function to the Public Welfare function in fiscal year 1987.

Presented on the following page are pie charts showing percentages of total expenditures by object and total expenditures by function. Section II of this report includes a detailed comparative statement of operating and non-operating expenditures of the State General Fund.

STATE GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
FOR THE FISCAL YEARS ENDING JUNE 30

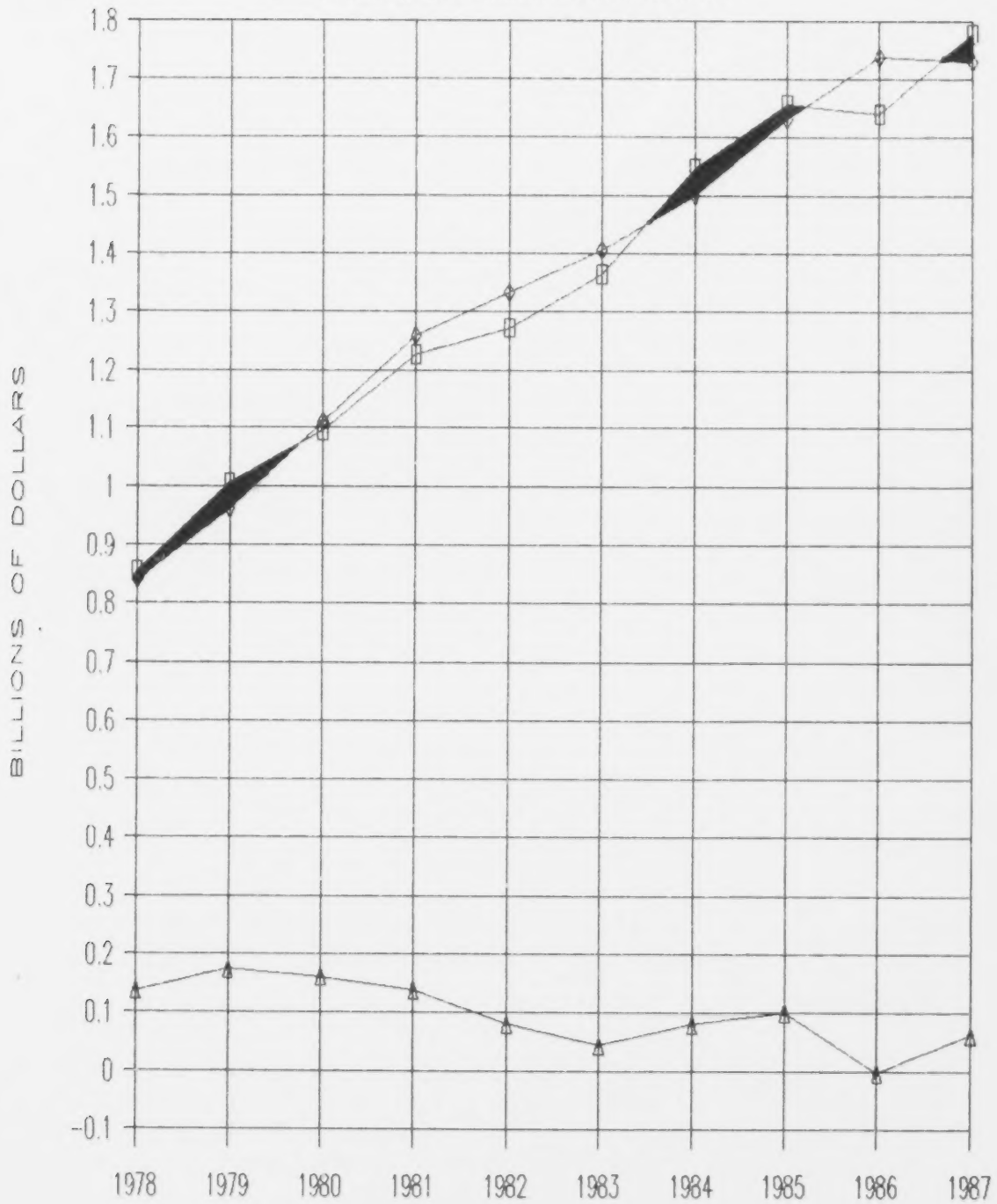
EXPENDITURES BY OBJECT	Amount in Thousands			Percentage of Increase (Decrease)
	1987	1986	Increase (Decrease)	
Salaries and Wages -----	\$ 511,552	\$ 520,771	\$ (9,219)	(1.8)
Contractual Services -----	116,897	113,693	3,204	2.8
Commodities -----	24,893	25,416	(523)	(2.1)
Capital Outlay -----	20,367	23,121	(2,754)	(11.9)
Grants, Claims and Shared Revenue:				
Economic Development Grants -----	562	110	452	410.9
Arts Program Grants -----	338	376	(38)	(10.1)
County Inheritance Tax Fund -----	1,572	1,622	(50)	(3.1)
Aid to Indigent Defendants -----	232	223	9	4.0
Aid to Counties for Reappraisal -----	7,754	0	7,754	775,400.0
Local Ad Valorem Tax Reduction Fund -----	26,937	24,555	2,382	9.7
County and City Revenue Sharing -----	19,550	18,648	902	4.8
Aid to Area Agencies on Aging -----	1,238	1,238	0	0.0
Social Welfare Assistance -----	7,719	6,443	1,276	19.8
Retirement Contributions for Local School District Employees -----	32,607	41,456	(8,849)	(21.3)
Local and Regional Libraries -----	1,299	1,402	(103)	(7.3)
Public Television Grants -----	666	740	(74)	(10.0)
School District Income Tax Fund -----	107,783	108,472	(689)	(0.6)
Aid to Local School Districts -----	609,297	617,129	(7,832)	(1.3)
Emergency Preparedness and Medical Services -----	180	514	(334)	(65.0)
Community Corrections Act -----	3,714	3,748	(34)	(0.9)
Soil Conservation, Watersheds, & Groundwater Management -----	1,545	1,785	(240)	(13.4)
Local Health Units -----	1,987	1,293	694	53.7
Local Mental Health and Retardation -----	14,998	13,667	1,331	9.7
Total Aid for Local Units -----	835,978	843,421	(7,443)	(0.9)
School Service Annuities -----	0	0	0	0.0
Direct Social Welfare Assistance -----	199,806	190,933	8,873	4.6
Homestead Property Tax Relief -----	6,394	8,017	(1,623)	(20.2)
Other State Grants and Claims -----	9,207	10,925	(1,718)	(15.7)
Total Grants, Claims and Shared Revenue -----	1,055,385	1,053,296	2,089	0.2
Debt Service Interest -----	0	0	0	0.0
Debt Service Principal -----	0	0	0	0.0
Transfers and Non-Expense Items -----	1,514	1,284	230	17.9
GROSS EXPENDITURES -----	\$ 1,730,608	\$ 1,737,581	\$ (6,973)	(0.4)
EXPENDITURES BY FUNCTION				
Education and Research -----	1,060,981	1,096,552	(35,571)	(3.2)
Public Welfare -----	281,972	255,873	26,099	10.2
General Government -----	173,037	159,342	13,695	8.6
Public Safety -----	106,521	86,975	19,546	22.5
Health and Hospitals -----	87,431	100,420	(12,989)	(12.9)
Agriculture and Natural Resources -----	13,338	14,465	(1,127)	(7.8)
Recreational and Historical -----	7,328	7,622	(294)	(3.9)
Highways and Other Transportation -----	0	16,332	(16,332)	(100.0)
GROSS EXPENDITURES -----	\$ 1,730,608	\$ 1,737,581	\$ (6,973)	(0.4)

TOTAL STATE GENERAL FUND EXPENDITURES \$1.731 BILLION



STATE GENERAL FUND

1 REVENUE, EXPENDITURES & ENDING BALANCE



(FISCAL YEARS 1978 THROUGH 1987)

□ Revenue

◇ Expenditures

△ Ending Balance

KANSAS EDUCATIONAL BUILDING FUND

The Kansas Educational Building Fund was created by law and receives a portion of the proceeds of all property subject to ad valorem taxation. The present tax levy of one mill provides funds for erecting, equipping and repairing buildings at the educational institutions under the control of the Board of Regents. Expenditures from this fund are made on the basis of appropriations by the Legislature.

Revenues credited to the fund for fiscal year 1987 consisted primarily of tax moneys. Total revenues received into the fund for the 1987 fiscal year were \$12.99 million as

compared to \$12.8 million credited for the 1986 fiscal year. Expenditures from the fund in the 1987 fiscal year were \$12.9 million as compared to \$9.8 million for the 1986 fiscal year. An analysis of the fund at June 30, 1987, shows an unencumbered cash balance available to finance succeeding fiscal year appropriations of \$4.8 million.

Section V entitled "Capital Projects Funds", presents detailed information on revenues, expenditures, and balances of the Kansas Educational Building Fund.

STATE INSTITUTIONS BUILDING FUND

The State Institutions Building Fund was created by law and receives a portion of the proceeds of the annual permanent state tax levied on all property subject to ad valorem taxation.

The present tax levy of .25 mill provides funds for constructing, repairing and equipping buildings at the several charitable, benevolent and mental institutions of the State. This tax levy is being shared with the Correctional Institutions Building Fund for two years in accordance with legislation passed by the 1987 Session. The Motor Vehicles taxes received during the period of July 1, 1987 through June 30, 1988 are to be credited in equal amounts to the State Institutions Building Fund and the Correctional Institutions Building Fund. Those taxes levied upon tangible property other than Motor Vehicles in tax year 1986 and tax year 1987 are at the rate of .25 mill for the State Institutions Building

Fund. In tax year 1988, the rate will return to .5 mill. Expenditures from the State Institutions Building Fund are based on appropriations by the Legislature.

The revenue credited to the fund from taxes amounted to \$4.3 million for fiscal year 1987 as compared to \$6.4 million for fiscal year 1986.

Expenditures from the fund for fiscal year 1987 amounted to \$5.7 million as compared to \$7.2 million for the preceding fiscal year. An analysis of the fund at June 30, 1987, shows an unencumbered cash balance available to finance succeeding fiscal year appropriations of \$1.3 million.

Section V entitled "Capital Projects Funds", presents detailed information on revenues, expenditures, and balances of the State Institutions Building Fund.

CORRECTIONAL INSTITUTIONS BUILDING FUND

The Correctional Institutions Building Fund was created by law and is currently receiving a portion of the annual permanent state tax levied on all property subject to ad valorem taxation. The authorization for the tax levy of .25 mill is for a two year period. Motor Vehicles taxes received during the period of July 1, 1986 through June 30, 1988 are to be credited 1/6 to this fund. Taxes levied for this fund on tangible property other than Motor Vehicles are at the rate of .25 mill in tax years 1986 and 1987 and expire in tax year 1988.

The proceeds raised by this levy are avail-

able for the use and benefit of state correctional institutions. Authorization for expenditures from this fund is based on appropriations by the Legislature. The expenditures from the fund for fiscal year 1987 were \$1.8 million and revenues were \$2.2 million. At June 30, 1987 the unencumbered cash balance available to finance succeeding fiscal year appropriations is \$.2 million.

Section V entitled "Capital Project Funds", presents detailed information on revenues, expenditures, and balances of the Correctional Institutions Building Fund.

TRANSPORTATION FUNDS

The Transportation Funds include all the funds for the Department of Transportation except the State General Fund. Transportation funds consist primarily of the State Highway Fund, Urban Mass Transit Fund, Federal Highway Safety Fund, State Railroad Planning and Assistance Federal Fund, State Freeway Construction Fund, State Freeway Fund, Restricted Fee's Fund, County Equalization and Adjustment Fund and the Special City and County Highway Fund. A comparative combined statement of revenue, expenditures and balances of these funds is presented on the following page.

Revenues deposited into the Transportation Funds are generally restricted by law for financing activities of the Department of Transportation in the construction, reconstruction and maintenance of the state system of highways and the distribution to counties and cities of shared revenue from motor fuel taxes for maintaining roads and streets.

The comparative combined statement on the following page shows the total revenues were \$473 million for fiscal year 1987 as compared to \$482 million for fiscal year 1986, a decrease of \$9 million. Operating revenues amounted to \$444 million for fiscal year 1987 as compared to \$450 million for the preceding fiscal year, a decrease of \$6 million.

The decrease in operating revenues is primarily due to the category of Federal Grants for Highways and Bridges which decreased \$6 million from fiscal year 1986. Non-operating revenues for fiscal year 1987 amounted to \$28.5 million as compared to \$31.3 million for fiscal year 1986.

The total expenditures from Transportation

Funds were \$488.9 million for fiscal year 1987 as compared to \$507.5 million for fiscal year 1986, a decrease of \$18.6 million. Operating expenditures for fiscal year 1987 totaled \$499 million as compared to \$497.6 million last fiscal year, an increase of \$1.4 million. The largest increase was in the category of Interest Charges on Construction Bonds, which shows a \$13.7 million increase over last fiscal year. Non-operating expenditures for fiscal year 1987 amounted to a negative \$10.1 million as compared to a \$9.8 million last fiscal year, a decrease of \$19.9 million. The decrease is primarily due to the category of Transfers to Trustee for Defeased Bonds which experienced a decrease of \$34 million.

The total outstanding indebtedness at June 30, 1987, for highway revenue bonds issued is \$151.5 million to be retired by fiscal year 1999. The proceeds of the bond sales as well as monies of the State Freeway Fund may be invested until cash is needed for payment of authorized obligations.

The unexpended cash balance at June 30, 1987, is \$83.3 million. However, obligations consisting of orders and contracts for services, supplies, equipment and capital construction at June 30, 1987, amounted to \$308 million. Although the amount of obligations exceeds the available unexpended cash balance, revenue is anticipated to be received in time to meet these obligations as they become due.

A graph depicting revenues, expenditures and unexpended balances of the Transportation funds from fiscal year 1978 through fiscal year 1987 is presented on page xiii of this section.

TRANSPORTATION FUNDS
COMPARATIVE COMBINED STATEMENT OF REVENUE, EXPENDITURES AND BALANCES
FOR THE FISCAL YEARS ENDING JUNE 30

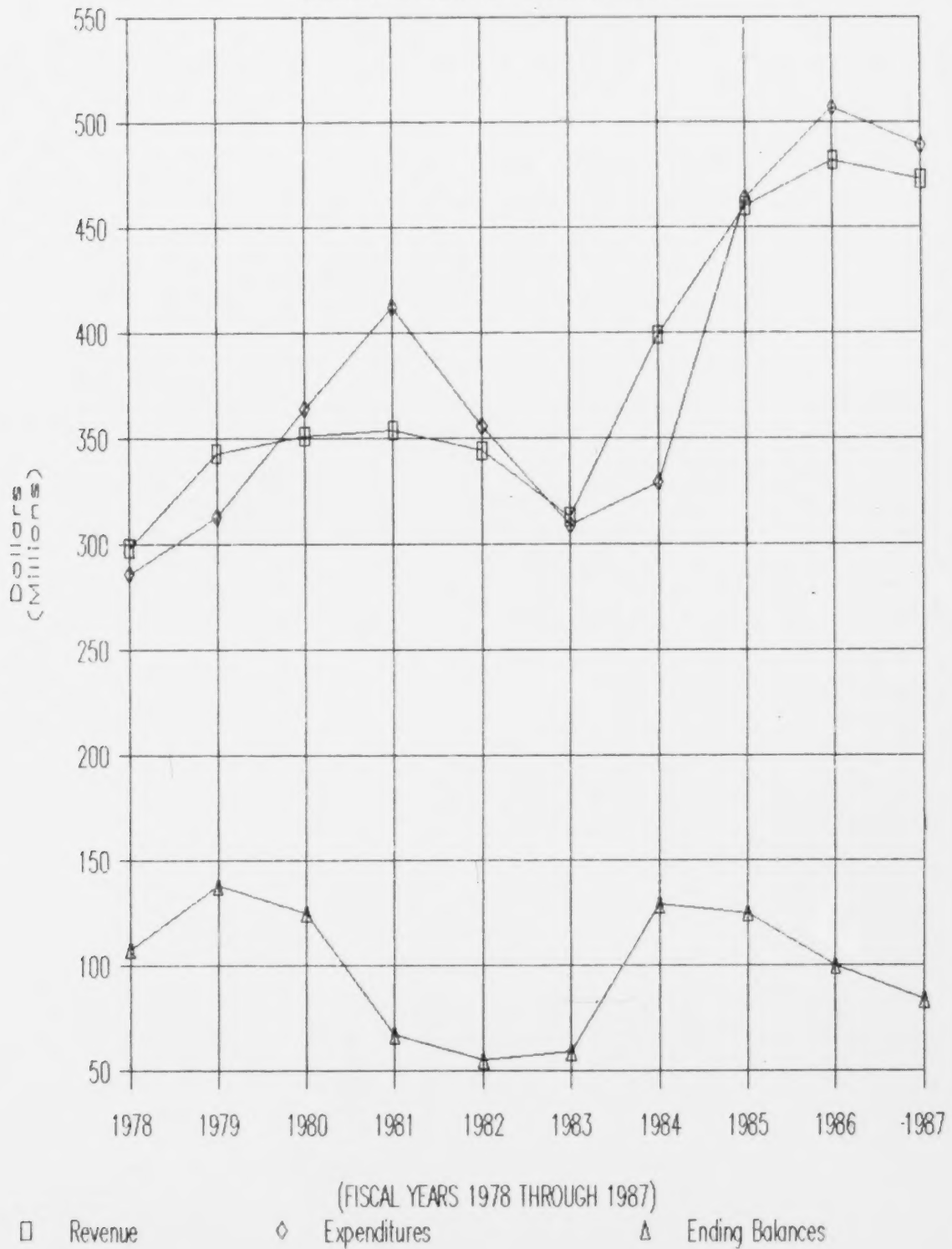
	Amount in Thousands	
	1987	1986
Beginning Unexpended Cash Fund Balance -----	\$ 99,111	\$ 124,836
Operating Revenues:		
Motor Fuel Taxes -----	156,753	151,651
Motor Vehicle Registration Taxes -----	68,820	70,098
Operate Motor Vehicles (Licenses) -----	4,582	3,194
Interest and Dividends from Investments -----	9,535	13,690
Gain or Loss on Investments Sold -----	(175)	268
Federal Grants for Highways and Bridges -----	194,367	199,981
Other Grants, Gifts, Donations and Contributions -----	9,359	10,542
Other Operating Revenue -----	1,340	1,027
Total Operating Revenue -----	444,581	450,451
Nonoperating Revenues:		
Revenue Bond Proceeds and Accrued Interest on Revenue Bonds Issued -----	0	1,145
Transfers To and From Highway Funds -----	23,978	26,994
Other Nonoperating Revenue -----	4,504	3,147
Total Nonoperating Revenue -----	28,482	31,286
Total Revenue -----	473,063	481,737
Total Cash Available for Expenditure -----	572,174	606,573
Operating Expenditures:		
Salaries and Wages -----	78,277	76,129
Contractual Services -----	27,577	21,546
Commodities -----	19,351	22,767
Capital Outlay (Other) -----	16,758	14,287
Highway and Bridges (Direct Payments) -----	262,916	288,304
Distribution to Cities, Counties and Townships -----	76,635	70,818
Federal Aid to Qualified Non-State Organizations -----	3,486	3,521
Interest Charges on Construction Bonds -----	13,673	0
Claims -----	339	228
Total Operating Expenditures -----	499,012	497,600
Nonoperating Expenditures:		
Advances for Purchase of Investments and Other Nonoperating Expenditures ----	(10,436)	(25,066)
Refunds -----	162	307
Transfers to Trustee for Defeased Bonds -----	0	34,290
Other Transfers -----	164	331
Total Nonoperating Expenditures -----	(10,110)	9,862
Total Expenditures -----	488,902	507,462
Ending Unexpended Cash Fund Balance ----- *	83,272	99,111
Unliquidated Encumbrances June 30 -----	307,981	315,622
Unencumbered Balance June 30 -----	\$(224,709)	\$(216,511)

* Not included are the State Freeway Fund investments (at cost) amount to \$104,338,733.43 and cash in the amount of \$7,807,709.38 and the State Freeway Construction Fund investments (at cost) amounting to \$1,117,206.01 and cash in the amount of \$0.00 for a total of \$113,263,648.82. These monies are outside the State Treasury with the Pooled Money Investment Board.

Also not included is the Agency Imprest Fund in the amount of \$2,000.00.

TRANSPORTATION FUNDS

REVENUE, EXPENDITURES & ENDING BALANCE



EMPLOYMENT SECURITY FUND

The Employment Security Fund was established by law as a special fund, separate and apart from all public monies of funds of the State. The law provides that the fund consist of three separate accounts: (1) a clearing account, (2) an unemployment trust fund and (3) a benefit account. Deposits into this fund consist of contributions, interest earned on trust funds deposited in the U.S. Treasury, federal grants for unemployment benefits to federal employees and ex-servicemen and fifty-percent of extended benefits, and other operating revenue. Expenditures from the fund are paid to regular recipients for a period of up to twenty-six weeks. Extended benefits may be paid for up to an additional thirteen weeks during periods of high unemployment.

Analysis of the Employment Security Fund transactions for fiscal year 1987 shows total revenue of \$207 million as compared

to \$206 million last fiscal year. Expenditures this fiscal year totaled \$182.3 million as compared to \$161.6 million during fiscal year 1986. All categories of operating revenue for fiscal year 1987 decreased except Interest on Deposits with U.S. Treasury and Federal Grants. The primary change in expenditures was in the category Regular Unemployment Benefits. Revenue exceeded expenditures this fiscal year by \$25.3 million to increase the fund balance to \$344 million at June 30, 1987.

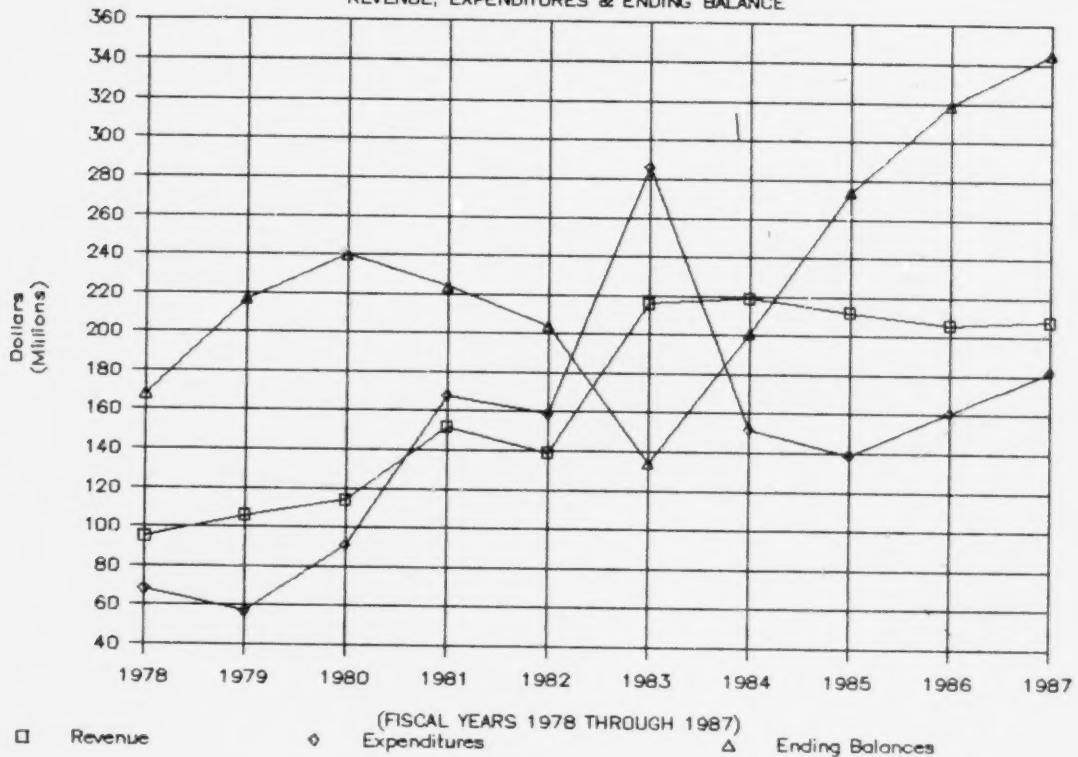
Presented below is a comparative statement of revenues, expenditures and ending fund balances for fiscal year 1987 and 1986. A graph illustrating the past ten years is presented on the following page. Additional detail is presented in Section VIII of this report entitled "Trust and Agency Funds."

EMPLOYMENT SECURITY FUND COMPARATIVE STATEMENT OF REVENUE, EXPENDITURES AND FUND BALANCE FOR THE FISCAL YEARS ENDING JUNE 30

	Amount in Thousands	
	1987	1986
Beginning Fund Balance -----	\$319,101	\$274,331
Operating Revenue:		
Employer Payroll Contributions -----	159,328	164,817
Interest on Deposits with U.S. Treasury -----	31,151	29,627
Interest on State Agency Investments -----	185	192
Federal Grants for Federal Employees, Ex-Servicemen and Extended Benefits -----	6,401	4,259
Other Operating Revenue -----	40	44
Total Operating Revenue -----	197,105	198,939
Non-operating Revenue -----	10,509	7,456
Total Revenue -----	207,614	206,395
Total Cash Available for Expenditure -----	526,715	480,726
Operating Expenditures:		
Regular Unemployment Benefits -----	173,321	155,059
Federal Employees Unemployment Benefits -----	2,249	1,976
Ex-Servicemen Unemployment Benefits -----	1,650	1,428
Disaster Unemployment Assistance -----	16	0
Worker Adjustment Unemployment Assistance -----	2,580	799
Federal Supplemental Compensation -----	0	24
Total Operating Expenditures -----	179,816	159,286
Non-operating Expenditures -----	2,541	2,339
Total Expenditures -----	182,357	161,625
Ending Fund Balance -----	\$344,358	\$319,101

EMPLOYMENT SECURITY FUND

REVENUE, EXPENDITURES & ENDING BALANCE



COMBINED FUNDS OF THE STATE

Statements have been prepared on the following pages on the combined revenue and expenditure transactions for all funds deposited and disbursed through the State Treasury. The forthcoming statements show comparative statistics for both the 1987 and 1986 fiscal years and are prepared on the same basis for each fiscal year. It is important for the reader to remember that these statements are presented for statistical purposes only and the resources of one fund cannot be transferred to another fund unless authorized by statute.

The Comparative Statement of Operating Revenue has been prepared on a net basis by the subtraction of refunds from the gross receipts. The 1987 fiscal year shows an increase of \$153 million over fiscal year 1986 in net operating revenues. The increase is reflected in all categories of revenue, except for Motor Vehicle Registration, Severance Tax on Minerals, Other Excise Taxes, Payroll Unemployment Taxes and Revenue from the Use of Money and Property which decreased. The major increases are in the categories

of State Sales and Compensating Use Taxes, Income and Inheritance Taxes and Agency Earnings.

The Comparative Statements of Operating Expenditures have been prepared on a net basis by subtracting amounts financed by non-operating sources of revenue from gross operating expenditures. The 1987 fiscal year shows an increase in net operating expenditures of \$134 million over the preceding fiscal year. This increase is reflected in all major expenditure categories except Commodities, Homestead Property Tax Relief Payments and Other Claims and Grants, which decreased.

Charts entitled "Where the Money Comes From" and "Where the Money Goes" have been prepared and are presented in this section on pages xviii and xix.

Additional detailed statements and a balance sheet on the combined funds of the State are presented in Section I of this report.

COMBINED FUNDS
COMPARATIVE STATEMENT OF OPERATING REVENUE
FOR THE FISCAL YEARS ENDING JUNE 30

OPERATING REVENUE	Amount in Thousands		Increase (Decrease)
	1987	1986	
Taxes:			
Property Taxes (Ad Valorem) (Net) -----	\$ 30,426	\$ 27,291	\$ 3,135
Income and Inheritance Taxes (Net) -----	797,357	767,763	29,594
State Sales and Compensating Use Taxes (Net) -----	920,981	729,878	191,103
Cigarette and Tobacco Products Taxes (Net) -	61,645	59,348	2,297
Motor Fuel Taxes (Net) -----	156,753	151,651	5,102
Cereal Malt and Liquor Taxes (Net) -----	45,450	44,788	662
Motor Vehicle Registration (Net) -----	69,199	70,463	(1,264)
Insurance Companies Taxes (Net) -----	64,987	64,157	830
Severance Tax on Minerals (Net) -----	61,376	98,936	(37,560)
Other Excise Taxes (Net) -----	10,069	10,332	(263)
Other Gross Receipts Taxes -----	6,435	5,855	580
Payroll Unemployment Taxes (Net) -----	159,328	164,817	(5,489)
Total Taxes -----	2,384,006	2,195,279	188,727
Agency Earnings -----	398,834	376,228	22,606
Revenue From the Use of Money and Property ---	485,647	565,669	(80,022)
Gifts, Donations and Grants:			
Federal Grants (Net) -----	793,928	782,231	11,697
Other Grants and Gifts -----	27,776	26,104	1,672
Total Gifts, Donations and Grants -----	821,704	808,335	13,369
Other Revenue -----	60,977	52,058	8,919
Total Revenue -----	4,151,168	3,997,569	153,599
Less: Refunds Not Classified -----	7,252	6,418	834
NET OPERATING REVENUE -----	\$4,143,916	\$3,991,151	\$152,765

COMBINED FUNDS
COMPARATIVE STATEMENT OF OPERATING EXPENDITURES
FOR THE FISCAL YEARS ENDING JUNE 30

OPERATING EXPENDITURES CLASSIFIED BY FUNCTION	Amount in Thousands		Percentage of Increase (Decrease)	
	1987	1986	Increase (Decrease)	Increase (Decrease)
Education and Research -----	\$1,595,235	\$1,575,656	\$ 19,579	1.2
Public Welfare -----	785,862	767,923	17,939	2.3
Highways and Other Transportation ----	494,369	512,716	(18,347)	(3.6)
General Government -----	562,314	462,164	100,150	21.7
Health and Hospitals -----	160,466	171,553	(11,087)	(6.5)
Public Safety -----	126,609	99,232	27,377	27.6
Conservation of Agriculture and Natural Research -----	26,808	27,877	(1,069)	(3.8)
Recreation and Historical -----	23,051	23,336	(285)	(1.2)
NET OPERATING EXPENDITURES -----	\$3,774,714	\$3,640,457	\$134,257	3.7

COMBINED FUNDS
COMPARATIVE STATEMENT OF OPERATING EXPENDITURES
FOR THE FISCAL YEARS ENDING JUNE 30

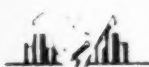
OPERATING EXPENDITURES CLASSIFIED BY OBJECT	Amount in Thousands		Increase (Decrease)
	1987	1986	
Gross Expenditures for State Operations and Services:			
Salaries and Wages -----	\$1,001,612	\$ 958,766	\$ 42,846
Contractual Services -----	347,056	309,451	37,605
Commodities -----	121,336	122,095	(759)
Capital Outlay -----	58,712	57,451	1,261
Total Expenditures for State Operations and Services -----	1,528,716	1,447,763	80,953
Less: Expenditures from Non-Operating Revenue ----	42,940	49,045	(6,105)
NET EXPENDITURES FOR STATE OPERATIONS AND SERVICES --	<u>1,485,776</u>	<u>1,398,718</u>	<u>87,058</u>
Gross Expenditures for Highway and Other Capital Improvements -----	325,892	324,719	1,173
Less: Expenditures from Borrowing -----	688	3,067	(2,379)
NET EXPENDITURES FOR HIGHWAY AND OTHER CAPITAL IMPROVEMENTS -----	<u>325,204</u>	<u>321,652</u>	<u>3,552</u>
Gross Expenditures for Local Assistance -----	1,033,736	1,029,048	4,688
Less: Expenditures from Non-Operating Revenue ----	1,400	1,599	(199)
NET EXPENDITURES FOR LOCAL ASSISTANCE -----	<u>1,032,336</u>	<u>1,027,449</u>	<u>4,887</u>
Gross Expenditures for Other Claims and Grants:			
Direct Welfare Assistance -----	402,705	383,744	18,961
Homestead Property Tax Relief Payments -----	6,393	8,017	(1,624)
Other Claims and Grants -----	343,546	359,060	(15,514)
Total Expenditures for Other Claims and Grants ----	752,644	750,821	1,823
Less: Expenditures from Non-Operating Revenue ----	18,448	17,121	1,327
NET EXPENDITURES FOR OTHER CLAIMS AND GRANTS -----	<u>734,196</u>	<u>733,700</u>	<u>496</u>
Gross Expenditures for Employment Security Benefits -	179,817	159,286	20,531
Less: Expenditures from Non-Operating Revenue ----	7,612	5,319	2,293
NET EXPENDITURES FOR EMPLOYMENT SECURITY BENEFITS ---	<u>172,205</u>	<u>153,967</u>	<u>18,238</u>
Gross Expenditures for Retirement Benefits -----	105,937	93,760	12,177
Less: Expenditures from Non-Operating Revenue ----	105,937	93,760	12,177
NET EXPENDITURES FOR RETIREMENT BENEFITS -----	<u>0</u>	<u>0</u>	<u>0</u>
Gross Expenditures for Debt Service Interest -----	25,073	4,971	20,102
Less: Expenditures from Non-Operating Revenue ----	76	0	76
NET EXPENDITURES FOR DEBT SERVICE INTEREST -----	<u>24,997</u>	<u>4,971</u>	<u>20,026</u>
NET OPERATING EXPENDITURES -----	<u>\$3,774,714</u>	<u>\$3,640,457</u>	<u>\$134,257</u>

WHERE THE MONEY COMES FROM

(millions)



PROPERTY TAX ----- \$ 30.4



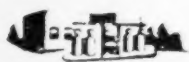
INCOME AND INHERITANCE TAX ----- 797.4



SALES AND COMPENSATING TAX ----- 921.0



CIGARETTE AND TOBACCO
PRODUCTS TAX ----- 61.6



MOTOR FUEL TAX ----- 156.8



CEREAL MALT AND ALCOHOLIC
LIQUOR TAX ----- 45.4



MOTOR VEHICLE REGISTRATION ----- 69.2



INSURANCE COMPANIES TAX ----- 65.0



SEVERANCE TAX ON MINERALS --- 61.4



EMPLOYMENT SECURITY
CONTRIBUTIONS ----- 159.3



AGENCY EARNINGS ----- 398.8



REVENUE FROM USE OF MONEY
AND PROPERTY ----- 485.6



GRANTS ----- 821.7



OTHER REVENUE ----- 70.3

NET OPERATING REVENUE ----- \$4,143.9

WHERE THE MONEY GOES (millions)



STATE OPERATIONS
AND SERVICES -----

\$1,485.8



HIGHWAY AND OTHER
CAPITAL IMPROVEMENTS

GROSS ----- 325.9

FINANCED FROM
BORROWING ----- (.7)

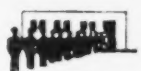
325.2



LOCAL ASSISTANCE ----- 1,032.3



CLAIMS AND GRANTS ----- 734.2



EMPLOYMENT SECURITY
BENEFITS ----- 172.2



RETIREMENT PAYMENTS ----- 0.0



DEBT SERVICE INTEREST ----- 25.0

NET OPERATING
EXPENDITURES ----- \$3,774.7

LOCAL ASSISTANCE

The following statement and chart have been prepared to show the source and purpose of gross local assistance expenditures of both the Federal and State programs. Gross assistance expenditure to the local governmental units were \$1.034 billion in fiscal year 1987 as compared to \$1.029 billion in fiscal year 1986. The net increase in gross aid to local units for Federal expenditures amounted to \$1.8 million, and for State expenditures, an increase of \$2.9 million which results in a total increase of \$4.7 million over fiscal year 1986. The variance in the Public Welfare and the Health and Hospitals functions in-

cludes the shift of expenditures caused by the reclassification of the Department of Social and Rehabilitation Services-Mental Health and Retardation Services expenditures from the Health and Hospitals function to the Public Welfare function in Fiscal Year 1987.

Federal Assistance is provided to local units of government for highway purposes through the Federal Highway Safety Fund. Monies for secondary road projects are expended by the Department of Transportation for capital improvements, etc., and are classified as such in the financial statements.

LOCAL ASSISTANCE FISCAL YEAR 1987 EXPENDITURES (GROSS)

(Amounts in Millions)

	FEDERAL	STATE	TOTAL
 EDUCATION	\$ 76.6	\$752.2	\$ 828.8
 PUBLIC WELFARE	10.3	17.2	27.5
 GENERAL PURPOSE	15.0	71.6	86.6
 HIGHWAY	1.7	74.9	76.6
 HEALTH	5.0	2.2	7.2
 AGRICULTURE	-	1.6	1.6
 PUBLIC SAFETY	1.3	3.8	5.1
 RECREATION	.3	-	.3
TOTALS	\$110.2	\$923.5	\$1,033.7

COMBINED FUNDS
STATEMENT OF GROSS LOCAL ASSISTANCE EXPENDITURES
FOR THE FISCAL YEAR ENDING JUNE 30, 1987

PURPOSE AND PROGRAM	Amount in Thousands	
	Federal	State
EDUCATION		
State School Equalization -----	\$ ---	\$435,001
Community College and Municipal University -----	---	31,821
Education of Handicapped -----	10,701	---
Vocational Education -----	5,163	7,240
Retirement Contribution for School District Employees -----	---	32,607
State Safety Funds -----	---	1,418
School District Income Tax -----	---	107,783
Elementary and Secondary Education -----	29,051	11,560
Food Assistance -----	28,616	2,385
Adult Basic Education -----	876	122
Aid for Libraries -----	1,203	1,275
Fort Leavenworth School District -----	---	899
Job Training Partnership Act -----	585	---
Bilingual Education Program -----	---	619
Special Education -----	---	77,031
Educational Research -----	123	---
Community and Extension Services -----	76	---
School Transportation -----	---	42,478
Economic Security Act -----	180	---
GROSS AID FOR EDUCATION -----	<u>76,574</u>	<u>752,239</u>
PUBLIC WELFARE		
Area Agencies on Aging -----	2,671	243
Social and Rehabilitation Services Assistance -----	7,631	16,965
GROSS AID FOR PUBLIC WELFARE -----	<u>10,302</u>	<u>17,208</u>
GENERAL PURPOSES		
County and City Revenue Sharing -----	---	7,753
Local Ad Valorem Tax Reduction -----	---	19,550
Local Alcoholic Liquor -----	---	26,937
Firemen's Relief -----	---	7,647
County Mineral Production Tax -----	---	3,366
Bingo Enforcement Tax -----	---	4,394
Kansas Energy Conservation -----	---	250
Flood Control -----	---	---
Sand Royalties -----	357	---
County Inheritance Tax -----	---	33
Community Development -----	---	1,572
Arts Programming -----	14,577	---
County Treasurer Vehicle Licensing -----	48	54
County Reappraisal -----	---	80
GROSS AID FOR GENERAL PURPOSES -----	<u>14,982</u>	<u>71,636</u>
HIGHWAY		
Special City and County Highway Fund -----	---	71,033
City Connecting Links -----	---	1,379
Federal Highway Safety Act -----	1,049	---
Urban Mass Transit -----	537	---
Metropolitan Transportation Planning -----	136	---
County Equalization and Adjustment -----	---	2,500
GROSS AID FOR HIGHWAY -----	<u>1,722</u>	<u>74,912</u>
HEALTH		
Health and Environment Local Health Units -----	4,461	2,163
Mental Health and Retardation Aid -----	555	25
GROSS AID FOR HEALTH -----	<u>5,016</u>	<u>2,188</u>
AGRICULTURE AND NATURAL RESOURCES		
Soil Conservation Districts -----	---	770
Water Shed Districts -----	---	775
GROSS AID FOR AGRICULTURE AND NATURAL RESOURCES -----	<u>---</u>	<u>1,545</u>
PUBLIC SAFETY		
Emergency Preparedness -----	1,334	86
Community Corrections Act -----	---	3,714
Crime Victims -----	3	---
GROSS AID FOR PUBLIC SAFETY -----	<u>1,337</u>	<u>3,800</u>
RECREATIONAL AND HISTORICAL		
Historical Preservation Act -----	28	---
Land, Water and Wildlife Conservation -----	227	20
GROSS AID FOR RECREATIONAL AND HISTORICAL -----	<u>255</u>	<u>20</u>
GROSS AID TO LOCAL UNITS -----	<u>\$1,033,736</u>	<u>\$923,548</u>

FEDERAL GRANTS

Net federal grant deposits to the State Treasury during fiscal year 1987 totaled \$793.9 million as compared to \$782.2 million during the preceding fiscal year. This increase of \$11.7 million in federal grants was primarily due to increases in Assistance and Relief grants, and Education and Research Grants.

There was also an increase in unexpended grant monies returned to the Federal govern-

ment, amounting to \$30 thousand. Except for some federal reimbursements which are placed in the State General Fund, federal grant monies are used for specific programs and cannot be used in support of general state government.

Presented below is a statement showing the general purpose of federal grants and the amounts received during both the 1987 and 1986 fiscal years.

COMPARATIVE STATEMENT OF FEDERAL GRANTS FOR THE FISCAL YEARS ENDING JUNE 30

	<u>Amount in Thousands</u>		<u>Increase (Decrease)</u>
	<u>1987</u>	<u>1986</u>	
<u>GENERAL PURPOSE</u>			
Highways, Bridges and Grants for Primary, Urban and Secondary Roads -----	\$194,367	\$199,992	\$ (5,625)
Public Health -----	42,187	40,311	1,876
Assistance and Relief -----	287,121	266,544	20,577
Employment Security Administration -----	23,118	23,276	(158)
Education and Research -----	171,855	161,535	10,320
Other Federal Grants -----	75,577	90,840	(15,263)
Gross Federal Grants -----	794,225	782,498	11,727
Less: Return of Unexpended Federal Grants -----	297	267	30
<u>NET FEDERAL GRANTS</u> -----	<u>\$793,928</u>	<u>\$782,231</u>	<u>\$ 11,697</u>

STATE BONDED INDEBTEDNESS

The State of Kansas does not have any general obligations bonds outstanding. However, statutory authority has been granted to issue bonds for academic and hospital facilities, student unions, athletic facilities and dormitories at state universities by the State Board of Regents; highway construction by the Department of Transportation; sewage facilities by the Department of Health and Environment; fish hatcheries by the Fish and Game Commission; office buildings by the Department of Administration; and reservoir projects or the purchase of storage in existing reservoirs by the Kansas Water Office.

The total outstanding revenue bonds at June

30, 1987 was \$203,881,000 as compared to \$203,226,000 for fiscal year 1986. In fiscal year 1987 debt principal payments were \$4.6 million and new bonds issued were \$5.5 million.

Presented in the following schedule is the debt service requirements to maturity by fund class. Also, a graph reflecting the amount of debt payment requirements to be met for future year maturities is presented on the following page. Additional detail of the bond indebtedness is also presented in Section XI of this report.

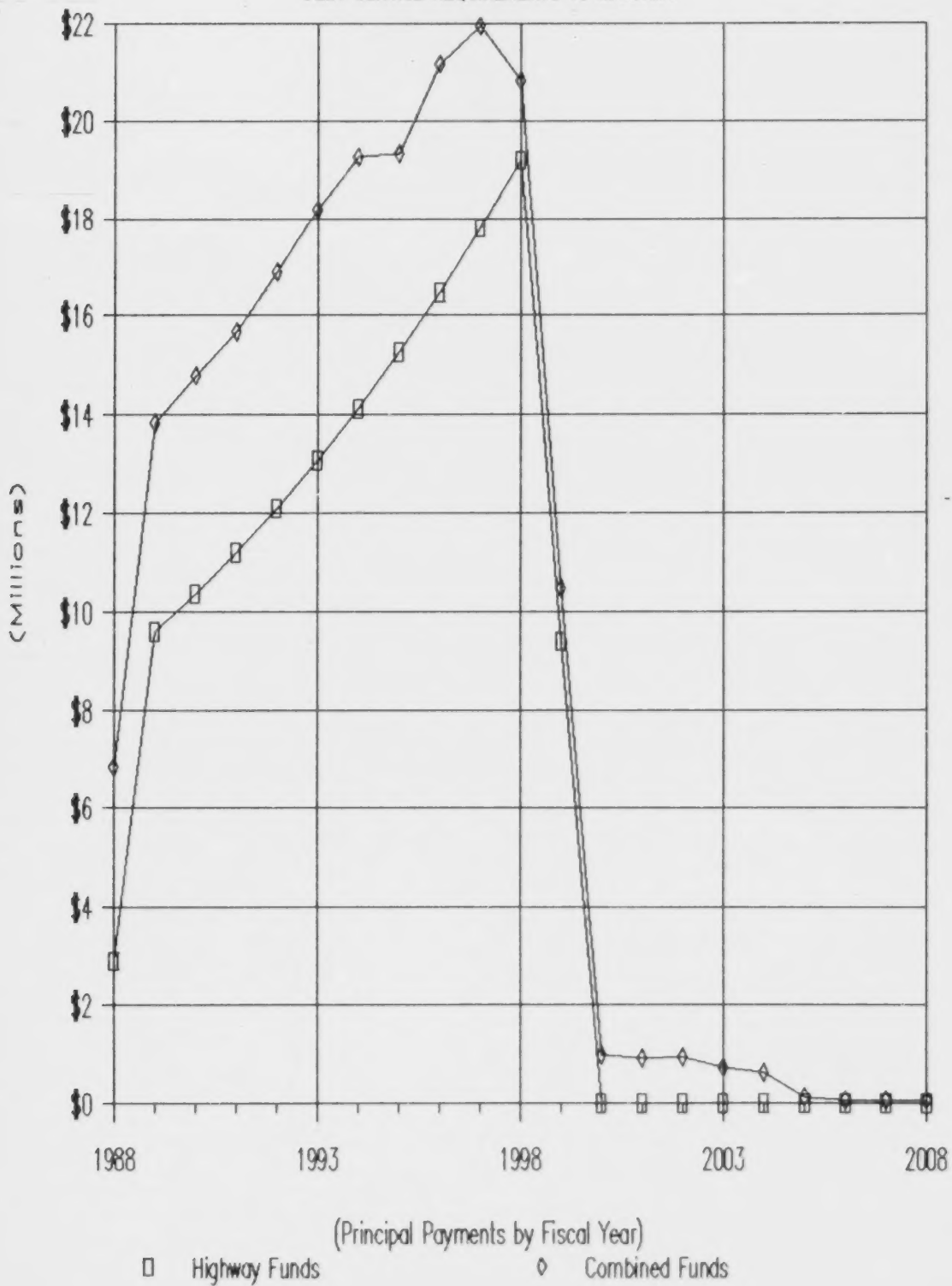
BONDED INDEBTEDNESS
DEBT SERVICE PRINCIPAL REQUIREMENTS TO MATURITY
BY FUND CLASS

<u>FISCAL YEAR</u>	<u>HIGHWAY FUNDS</u>	<u>ENTERPRISE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>FISCAL YEAR TOTAL</u>
1988	\$ 2,910,000	\$ 1,973,000	\$ 1,965,000	\$ 6,848,000
1989	9,610,000	2,123,000	2,100,000	13,833,000
1990	10,380,000	2,120,000	2,285,000	14,785,000
1991	11,210,000	2,251,000	2,215,000	15,676,000
1992	12,105,000	2,380,000	2,415,000	16,900,000
1993	13,075,000	2,507,000	2,610,000	18,192,000
1994	14,120,000	2,592,000	2,555,000	19,267,000
1995	15,250,000	1,707,000	2,380,000	19,337,000
1996	16,470,000	1,729,000	2,970,000	21,169,000
1997	17,785,000	1,376,000	2,790,000	21,951,000
1998	19,210,000	938,000	695,000	20,843,000
1999	9,420,000	930,000	145,000	10,495,000
2000		843,000	150,000	993,000
2001		770,000	160,000	930,000
2002		769,000	175,000	944,000
2003		669,000	60,000	729,000
2004		625,000		625,000
2005		134,000		134,000
2006		65,000		65,000
2007		65,000		65,000
2008		70,000		70,000
2009		30,000		30,000
TOTAL DUE	\$151,545,000 ~~~~~	\$26,666,000 ~~~~~	\$ 25,670,000 ~~~~~	\$ 203,881,000 ~~~~~

The defeased bonds previously reported in this schedule are fully defeased and are no longer reported.

STATE OF KANSAS

DEBT SERVICE REQUIREMENTS TO MATURITY





SECTION I

COMBINED STATEMENTS

CONTENTS

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Analysis of Change in Unencumbered Cash Balance—Exhibit "B"	4
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Comparative Statement of Operating and Non-Operating Revenue—Schedule "C-I"	8
Comparative Statement of Operating and Non-Operating Expenditures—Schedule "C-II"	12

EXHIBIT "A"

COMBINED FUNDS
Comparative Balance Sheet
June 30

	Governmental Fund Types			
	State General Fund	Special Revenue Funds	Highway Funds	Capital Projects Funds
RECOGNIZED ASSETS				
Equity in State Treasurer's Common Cash Fund (See Section XII, Note 2)	\$ 113,899,419.75	\$ 173,629,830.25	\$ 108,292,809.27	\$ 26,768,538.78
Cash in Agencies' Imprest Funds	332,160.00	369,547.00	2,000.00	---
Cash with Banks for Purchase of Investments	---	---	7,807,709.38	---
Cash with U. S. Treasurer	---	---	---	---
Inmate, Patient and Client monies in State Agencies' Custody	---	---	---	---
Public Employees Retirement Fund Investments (Accrual Basis)	---	---	---	---
Investments Owned by Other Funds (Cost Basis)	---	718,250.29	105,455,939.44	12,526,437.37
Investments of Deferred Compensation Plan Balances (Market Value)	---	---	---	354,662.07
Uninvested Cash With Fish and Game Commission	---	---	---	2,633,832.62
Investments with Fish and Game Commission	---	---	---	7,355,258.85
Ad Valorem Taxes Due from County Treasurers	---	---	---	---
Balance Held with Escrow Agent (Landon State Office Building)	---	---	---	---
Amount to be Provided for Revenue Bond Redemption	---	---	---	---
Amount to be Provided for Bond Defeasance Redemption	---	---	---	---
Amount to be Provided for Loan Redemption	---	---	---	---
Amount to be Provided for Miscellaneous Obligations	---	---	---	---
Amount to be Provided for Water Supply Storage Loan Redemption	---	---	---	---
Amount to be Provided For Certificates of Participation	---	---	---	---
TOTAL RECOGNIZED ASSETS	\$ 114,231,579.75	\$ 174,717,627.54	\$ 221,558,458.09	\$ 49,638,729.69
LIABILITIES, OTHER OBLIGATIONS AND BALANCES				
LIABILITIES				
Commitments and Contingent Liabilities (See Section XII, Notes 17,18,19,29)	\$ 24,723,263.57	\$ 28,177,761.23	\$ 25,742,724.11	\$ 1,387,615.87
Unredeemed Warrants	---	---	---	---
Due for Payroll Deductions, Taxes, Retirement, Etc.	---	---	---	---
Due Employees for Deferred Compensation (Market Value)	---	---	---	---
Revenue Bonds Payable	---	---	---	---
Miscellaneous Obligations Payable	---	---	---	---
Water Supply Storage Loan Payable	---	---	---	---
Defeased Bond Debt Payable	---	---	---	---
Loans Payable	---	---	---	---
Certificates of Participation Payables	---	---	---	---
Inmate, Patient and Client Trust Funds	---	---	---	---
Accrued KPERS Quarterly School Employee Distribution	22,572,897.00	---	---	---
Total Liabilities	47,296,160.57	28,177,761.23	25,742,724.11	1,387,615.87
OTHER OBLIGATIONS				
Total Unliquidated Encumbrances	15,922,946.30	32,007,917.93	305,959,993.92	7,389,761.84
Unencumbered Balance of Appropriations Reappropriated	10,897,055.77	---	---	4,822,779.69
Total Other Obligations	26,820,002.07	32,007,917.93	305,959,993.92	12,222,541.53
FUND AND AVAILABLE BALANCES				
Commitments and Contingent Liabilities (See Section XII, Notes 17,18,19,29)	62,356,154.11	---	---	6,366,972.66
Unencumbered Cash Balance Available to Finance Appropriations	---	113,444,151.09	(223,409,908.76)	6,791,388.72
Unencumbered Cash Balance of Agency Funds	---	---	---	---
Less Reserve for Accrued KPERS Quarterly School Employee Distribu- tion Financed from Succeeding Fiscal Year Appropriations	(22,572,897.00)	---	---	---
Agencies' Imprest Funds	332,160.00	369,547.00	2,000.00	---
Cash in Banks for Purchase of Investments	---	---	7,807,709.38	---
Invested Balances of Public Employees Retirement Fund (Accrual Basis)	---	---	---	---
Invested Balances of Other Funds (Cost Basis)	---	718,250.29	105,455,939.44	12,526,437.37
Balances with Fish and Game Commission	---	---	---	2,988,494.69
Taxes Due from County Treasurers (Deferred Revenue)	---	---	---	7,355,258.85
Balance with Escrow Agent (Landon State Office Building)	---	---	---	---
Total Fund and Available Balances	40,115,417.11	114,531,948.38	(110,144,259.94)	36,028,572.29
TOTAL LIABILITIES, OTHER OBLIGATIONS, AND AVAILABLE BALANCES	\$ 114,231,579.75	\$ 174,717,627.54	\$ 221,558,458.09	\$ 49,638,729.69
From Exhibit "A" of Section	II	III	IV	V

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

DETAIL OF 1987

Proprietary Fund Types						Totals (Memorandum Only)	
Enterprise Funds	Intragovernmental Service Funds	Trust and Agency Funds	Fiduciary Fund Types Clearing Refund and Suspense Funds	Payroll Clearing Funds	Long-Term Obligations Account Group	1987	1986
\$ 20,453,432.62	\$ 28,087,368.21	\$ 117,253,568.77	\$ 46,558,475.57	\$ 4,490,828.37	\$ ---	\$ 639,434,271.59	\$ 622,157,318.60
1,000.00	---	500.00	500.00	---	---	705,707.00	667,205.00
10,108.83	---	---	---	---	---	7,817,818.21	6,613.45
---	---	344,172,000.00	---	---	---	344,172,000.00	318,491,000.00
---	---	2,011,495.37	---	---	---	2,011,495.37	2,044,933.17
20,153,491.69	---	2,848,595,998.63	---	---	---	2,848,595,998.63	2,493,443,498.06
---	---	41,474,638.68	---	---	---	180,328,757.47	193,015,024.17
---	---	52,797,369.42	---	---	---	52,797,369.42	41,034,988.49
---	---	---	---	---	---	354,662.07	130,043.87
---	---	---	---	---	---	2,633,832.62	2,365,796.92
---	---	---	---	---	---	7,355,258.85	7,369,034.97
26,666,000.00	---	---	---	---	---	0.00	3,897,593.00
---	---	---	---	---	177,215,000.00	203,881,000.00	203,226,000.00
---	19,309,173.30	---	---	---	---	0.00	37,600,000.00
---	---	---	---	---	12,142,652.00	31,451,825.30	22,934,552.00
---	---	---	---	---	21,787,530.00	21,787,530.00	0.00
---	---	---	---	---	64,228,363.00	64,228,363.00	0.00
---	---	---	---	---	35,024,464.00	35,024,464.00	30,144,429.00
\$ 67,284,033.14	\$ 47,396,541.51	\$ 3,406,305,570.87	\$ 46,558,975.57	\$ 4,490,828.37	\$ 310,398,009.00	\$ 4,442,580,353.53	\$ 3,978,428,030.70
2,158,046.14	4,144,276.93	36,575,352.27	26,898,896.28	3,573,088.55	---	153,381,024.95	185,786,330.70
---	---	52,797,369.42	---	917,739.82	---	917,739.82	3,902,264.37
26,666,000.00	---	---	---	---	177,215,000.00	203,881,000.00	41,034,988.49
---	---	---	---	---	21,787,530.00	21,787,530.00	203,226,000.00
---	---	---	---	---	64,228,363.00	64,228,363.00	0.00
---	19,309,173.30	---	---	---	---	0.00	37,600,000.00
---	---	---	---	---	12,142,652.00	31,451,825.30	22,934,552.00
---	---	2,011,495.37	---	---	35,024,464.00	35,024,464.00	30,144,429.00
---	---	---	---	---	---	2,011,495.37	2,044,933.17
28,824,046.14	23,453,450.23	91,384,217.06	26,898,896.28	4,490,828.37	310,398,009.00	22,572,897.00	10,559,191.00
7,089,529.41	4,624,818.01	17,319,519.53	88,416.53	---	---	390,402,903.47	387,193,982.76
---	---	---	---	---	---	15,729,835.46	26,657,109.70
7,089,529.41	4,624,818.01	17,319,519.53	88,416.53	0.00	0.00	406,132,738.93	413,851,092.46
11,205,857.07	19,318,273.27	407,530,696.97	19,571,162.76	---	---	68,723,146.77	4,019,681.60
---	---	---	---	---	---	354,451,621.12	333,088,949.47
1,000.00	---	500.00	500.00	---	---	(22,572,897.00)	(10,559,191.00)
10,108.83	---	---	---	---	---	705,707.00	667,205.00
---	---	2,848,595,998.63	---	---	---	7,817,818.21	6,613.45
20,153,491.69	---	41,474,638.68	---	---	---	2,848,595,998.63	2,493,443,498.06
---	---	---	---	---	---	180,328,757.47	193,015,024.17
---	---	---	---	---	---	2,988,494.69	2,495,840.79
---	---	---	---	---	---	7,355,258.85	7,369,034.97
---	---	---	---	---	---	0.00	3,897,593.00
31,370,457.59	19,318,273.27	3,297,601,834.28	19,571,662.76	0.00	0.00	3,448,393,905.74	3,027,444,249.51
\$ 67,284,033.14	\$ 47,396,541.51	\$ 3,406,305,570.87	\$ 46,558,975.57	\$ 4,490,828.37	\$ 310,398,009.00	\$ 4,442,580,353.53	\$ 3,978,428,030.70
VI	VII	VIII	IX	X	XI		

EXHIBIT "B"

COMBINED FUNDS
Analysis of Change in Unencumbered Cash Balance
July 1, 1986, to June 30, 1987

	Governmental Fund Types			
	State General Fund	Special Revenue Funds	Highway Funds	Capital Projects Funds
Amounts Available For Expenditure:				
Unencumbered Cash Balance at July 1, 1986 -----	\$ 19,678,815.56	\$ 99,615,168.86	\$ (210,558,375.09)	\$ 11,551,274.10
Encumbrances Outstanding at July 1, 1986 -----	<u>21,563,642.43</u>	<u>37,711,861.04</u>	<u>309,366,912.63</u>	<u>7,442,708.04</u>
Subtotal -----	41,242,457.99	137,327,029.90	98,808,537.54	18,993,982.14
Revenue Fiscal Year 1987 -----	<u>1,778,542,578.61</u>	<u>1,079,393,463.04</u>	<u>469,847,949.92</u>	<u>152,977,248.12</u>
TOTAL AVAILABLE -----	<u>1,819,785,036.60</u>	<u>1,216,720,492.94</u>	<u>568,656,487.46</u>	<u>171,971,230.26</u>
Amounts Expended and Encumbered:				
Expenditures Fiscal Year 1987 -----	1,730,608,880.42	1,071,268,423.92	486,106,402.30	146,590,307.35
Encumbrances Outstanding at June 30, 1987				
Firm Obligations -----	15,922,946.30	12,947,688.27	12,276,800.93	4,742,150.57
Contingent Obligations -----	<u>0.00</u>	<u>19,060,229.66</u>	<u>293,683,192.99</u>	<u>2,647,611.27</u>
TOTAL EXPENDED AND ENCUMBERED -----	<u>1,746,531,826.72</u>	<u>1,103,276,341.85</u>	<u>792,066,396.22</u>	<u>153,980,069.19</u>
UNENCUMBERED CASH BALANCE AT JUNE 30, 1987 \$ -----	<u>\$ 73,253,209.88</u> (a)	<u>\$ 113,444,151.09</u>	<u>\$ (223,409,908.76)</u>	<u>\$ 17,991,161.07</u> (a)
From Exhibit "B" of Section	II	III	IV	V

(a) This amount does not take into consideration the amount of reappropriated balances of appropriations at June 30, 1987, as follows:

State General Fund		\$ 10,897,055.77
Capital Projects Funds:		
Kansas Educational Building Fund	\$ 2,096,358.42	
State Institutions Building Fund	2,735,123.18	
Correctional Institutions Building Fund	<u>1,298.09</u>	<u>4,832,779.69</u>
Total		<u>\$ 15,729,835.46</u>

■ This represents the unencumbered cash balance in the State Treasury and does not include Investments, Cash with Banks for Purchase of Investments, nor Agencies Imprest Funds. The amounts for these items are shown in Exhibit A, Combined Funds Comparative Balance Sheet.

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

Proprietary Fund Types		Fiduciary Fund Types			Long-Term	Total
Enterprise Funds	Intragovernmental Service Funds	Trust and Agency Funds	Clearing Refund and Suspense Funds	Payroll Clearing Funds	Obligations Account Group	1987
\$ 17,423,772.65	\$ 18,621,557.01	\$ 386,771,308.49	\$ 20,662,219.18	\$ 3,902,264.37	\$ 0.00	\$ 367,668,005.14
<u>1,417,028.71</u>	<u>4,273,525.84</u>	<u>4,841,981.64</u>	<u>576,322.43</u>	<u>0.00</u>	<u>0.00</u>	<u>387,193,982.76</u>
18,840,801.36	22,895,082.85	391,613,290.13	21,238,541.62	3,902,264.37	0.00	754,861,987.90
<u>100,779,940.04</u>	<u>103,529,116.24</u>	<u>2,065,560,896.03</u>	<u>776,925,880.12</u>	<u>171,977,064.47</u>	<u>0.00</u>	<u>6,699,534,136.59</u>
<u>119,620,741.40</u>	<u>126,424,199.09</u>	<u>2,457,174,186.16</u>	<u>798,164,421.74</u>	<u>175,879,328.84</u>	<u>0.00</u>	<u>7,454,396,124.49</u>
101,325,354.92	102,481,107.81	2,032,323,969.66	778,504,842.45	174,961,589.02	0.00	6,624,170,877.85
1,204,591.33	3,827,952.56	8,467,923.06	88,416.53	0.00	0.00	59,478,469.55
<u>5,884,938.08</u>	<u>796,865.45</u>	<u>8,851,596.47</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>330,924,433.92</u>
<u>106,414,884.33</u>	<u>107,105,925.82</u>	<u>2,049,643,489.19</u>	<u>778,593,258.98</u>	<u>174,961,589.02</u>	<u>0.00</u>	<u>7,014,573,781.32</u>
\$ 11,205,857.07	\$ 19,318,273.27	\$ 407,530,696.97	\$ 19,571,162.76	\$ 917,739.82	\$ 0.00	\$ 439,822,343.17
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VI	VII	VIII	IX	X	XI	

## EXHIBIT "C"

COMBINED FUNDS  
Comparative Statement of Revenue and Expenditures  
For the Fiscal Years Ending June 30

	Governmental Fund Types			
	State General Fund	Special Revenue Funds	Highway Funds	Capital Projects Funds
OPERATING REVENUE				
Taxes -----	\$ 1,761,327,948.61	\$ 3,011,950.96	\$ 225,572,394.00	\$ 19,480,718.04
Agency Earnings -----	13,003,503.24	277,043,182.27	5,169,624.15	1,401,302.26
Revenue From the Use of Money and Property -----	35,593,957.08	4,750,841.40	10,097,817.52	2,463,539.81
Gifts, Donations and Grants -----	8,158.21	610,785,100.59	200,511,828.11	67,706.00
Other Operating Revenue -----	18,850,640.83	3,734,959.39	11,354.02	0.00
GROSS OPERATING REVENUE -----	1,828,784,207.99	899,326,034.61	441,363,017.80	23,413,266.11
OPERATING EXPENDITURES				
Salaries and Wages -----	511,552,234.27	361,430,872.05	78,276,424.05	182,835.30
Contractual Services -----	116,897,369.02	120,220,487.26	27,524,798.76	3,831,049.83
Commodities -----	24,892,794.92	49,738,394.18	19,351,280.54	106,548.52
Capital Outlay -----	20,367,106.05	27,893,881.01	279,649,744.12	30,116,172.09
Grants, Claims, Shared Revenue and Debt Service -----	899,541,401.73	449,855,257.31	91,497,197.24	4,938,771.75
GROSS OPERATING EXPENDITURES -----	1,573,250,905.99	1,009,138,891.81	496,299,444.71	39,175,397.49
Excess of Operating Revenue Over Operating Expenditures -----	255,533,302.00			
Excess of Operating Expenditures Over Operating Revenue -----		109,812,857.20	54,936,426.91	15,762,131.38
GROSS NON-OPERATING REVENUE -----	(50,241,629.38)	180,067,428.43	28,484,932.12	129,563,982.01
GROSS NON-OPERATING EXPENDITURES -----	157,357,974.43	62,129,532.11	110,193,042.41	107,414,909.86
Excess of Non-Operating Revenue Over Non-Operating Expenditures -----		117,937,896.32	38,677,974.53	22,149,072.15
Excess of Non-Operating Expenditures Over Non-Operating Revenue -----	207,599,603.81			
EXCESS OF REVENUE OVER EXPENDITURES -----	\$ 47,933,698.19	\$ 8,125,039.12		\$ 6,386,940.77
EXCESS OF EXPENDITURES OVER REVENUE -----			\$ 16,258,452.38	
From Exhibit "C" of Section	II	III	IV	V

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

DETAIL OF 1987

						Totals (Memorandum Only)	
Proprietary Fund Types		Fiduciary Fund Types					
Enterprise Funds	Intragovernmental Service Funds	Trust and Agency Funds	Clearing Refund and Suspense Funds	Payroll Clearing Funds	Long-Term Obligations Account Group	1987	1986
\$ 0.00	\$ 228,699.25	\$ 374,384,161.80	\$ 241,820,028.33	\$ 0.00	\$ 0.00	\$ 2,625,825,900.99	\$ 2,410,665,190.77
19,639,146.58	82,159,891.43	229,168.92	188,027.44	0.00	0.00	398,833,846.29	376,228,332.45
22,801,285.02	18,203,320.43	396,575,102.70	2,161,217.22	0.00	0.00	485,647,081.18	565,669,334.93
33,894.00	0.00	10,594,018.97	0.00	0.00	0.00	822,000,705.88	808,602,069.68
2,445,417.51	217,353.95	33,432,182.67	2,285,422.73	0.00	0.00	60,977,331.12	52,057,676.84
44,919,743.11	93,809,265.06	815,214,635.06	246,454,695.72	0.00	0.00	4,393,284,865.46	4,213,222,604.67
20,223,766.11	26,333,809.34	3,198,058.08	413,824.69	0.00	0.00	1,001,611,823.89	958,766,270.13
11,848,690.61	33,963,569.82	29,921,254.69	2,848,411.60	0.00	0.00	347,035,651.59	309,451,203.24
7,012,872.33	20,109,431.30	111,724.47	13,165.25	0.00	0.00	121,336,211.51	122,095,370.55
6,421,820.98	18,515,967.33	1,639,395.47	0.00	0.00	0.00	384,604,087.05	382,169,685.97
2,990,123.03	3,272,698.05	643,515,234.55	1,596,601.87	0.00	0.00	2,097,207,285.53	2,037,885,964.19
48,497,273.06	102,195,475.84	678,385,667.26	4,872,003.41	0.00	0.00	3,951,815,059.57	3,810,368,494.08
		136,828,967.80	241,582,692.31	0.00	0.00	441,469,805.89	402,854,110.59
3,577,529.95	8,386,210.78						
55,860,196.93	9,719,851.18	1,250,346,260.97	530,471,184.40	171,977,064.47	0.00	2,306,249,271.13	2,308,814,686.46
52,828,081.86	285,631.97	1,353,938,302.40	773,632,839.04	174,961,589.02	0.00	2,672,355,818.28	2,770,996,332.76
3,032,115.07	9,434,219.21						
		103,592,041.43	243,161,654.64	2,984,524.55	0.00	366,106,547.15	462,181,646.30
	\$ 1,048,008.43	\$ 33,236,926.37				\$ 75,363,258.74	
\$ 545,414.88			\$ 1,578,962.33	\$ 2,984,524.55	\$ 0.00		\$ 59,327,535.71
VI	VII	VIII	IX	X	XI		

## SCHEDULE "C-1"

COMBINED FUNDS  
Comparative Statement of Operating and Non-Operating Revenue  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING REVENUE		
TAXES		
Property Taxes (Ad Valorem)		
Real Estate and Other Property	\$ 17,070,836.48	\$ 16,980,111.81
Motor Vehicles	2,409,881.56	2,251,173.59
Intangible	0.00	0.00
Motor Carrier (Rolling Stock)	11,010,890.21	8,110,354.63
Total Property Taxes (Ad Valorem)	30,491,608.25	27,341,640.03
Income and Inheritance Taxes:		
Corporation Income Tax Return Payments	69,342,599.65	81,252,620.36
Corporation Estimated Tax Payments	86,524,510.36	88,012,657.11
Individual Income Tax Return Payments	100,037,385.61	90,762,531.22
Employer's Withholding Tax Remittances	597,259,834.06	555,978,173.70
Individual Estimated Tax	102,421,739.21	99,432,675.62
Inheritance Tax	32,331,088.21	33,202,394.57
Privilege Tax on Net Income of Certain Financial Institutions	31,922,608.79	20,205,359.81
Domestic Insurance Company Income Tax	505,453.34	321,156.64
Total Income and Inheritance Taxes	1,020,345,219.23	969,167,569.03
Sales, Use, Ownership and Other Excise Taxes:		
State Sales Tax	643,134,738.55 (a)	491,433,177.39
State Consumer's Compensating Tax	41,917,635.12 (a)	31,782,262.32
State Retailer's Compensating Tax	47,990,562.83 (a)	39,769,729.50
Local Sales Tax	190,921,499.86 (a)	165,854,961.56
Local Compensating Use Tax	3,671,392.21	3,505,585.16
Cigarette Tax	60,900,723.67	58,725,680.64
Motor Fuel Tax		
Gasoline Tax Collections	119,436,912.95	112,007,824.17
Special Fuels Collections	27,667,817.39	27,418,485.73
Liquefied Petroleum Collections	526,427.24	659,980.32
Gasohol Tax Collections	15,098,688.60	18,871,582.05
Cereal Malt Beverage	4,320,080.58	4,654,504.80
Liquor Enforcement	18,246,247.78	17,743,451.60
Alcoholic Liquor		
Liquor Gallonage Tax	12,099,949.23	11,981,983.29
Liquor Private Club Tax	10,868,883.89	10,496,713.94
Motor Vehicle Registrations	69,199,017.48	70,463,019.77
Tobacco Products Tax	1,377,836.68	1,291,089.08
Corporation Franchise Tax	8,788,740.49	8,535,807.59
Wheat	1,111,249.65	1,601,776.47
Motor Boat Registrations	333,899.00	334,046.00
Motor Vehicle Dealer's Tax	53,658.41	53,415.50
Severance Tax on Coal	1,004,063.58	679,227.60
Severance Tax on Salt	80,529.11	86,690.51
Severance Tax on Oil	28,671,380.54	56,473,170.79
Severance Tax on Gas	32,602,389.50	42,171,274.73
Total Sales, Use, Ownership and Other Excise Taxes	1,340,026,324.34	1,176,596,140.51
Gross Receipts Taxes:		
Car Companies and Owners	764,701.35	838,440.68
Insurance Companies		
Insurance Premiums (Foreign)	52,423,796.00	49,838,868.48
Insurance Premiums (Firemen's Relief)	3,973,877.11	3,440,016.58
Insurance Premiums (State Fire Marshal)	2,171,195.89	2,073,898.11
Insurance Premiums (Domestic)	6,316,661.27	6,194,024.57
Insurance Premiums (Retailatory)	4,311,625.51	5,338,839.00
Bingo Tax	774,577.03	743,979.32
Transient Guest Tax	4,888,425.80	4,264,972.95
Musical and Dramatical Compositions Tax	9,481.89	10,063.59
Total Gross Receipts Taxes	75,624,341.85	72,743,103.28
Payroll Taxes:		
Employment Security Contributions	159,328,407.32	164,816,737.92
TOTAL TAXES	2,625,825,900.99	2,410,665,190.77

(a) The increase in collections this fiscal year is due to the tax rate increase.

## SCHEDULE "C-1"-Continued

COMBINED FUNDS  
Comparative Statement of Operating and Non-Operating Revenue  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING REVENUE (Continued)		
AGENCY EARNINGS		
Service Charges:		
Charges for Inspections, Supervisions, Examinations and Audits	13,566,144.95	14,472,764.58
Charges for Technical and Skilled Services Other Than Inspectional	21,533,896.94	20,551,601.08
Charges for Services in Connection with Corporation Insurance and Other Organizations	1,158,668.82	1,052,089.43
Charges for Clerical Services, Issuance of Certificates and Copies in Agency Offices	4,354,902.56	4,350,967.38
Charges for Education and Libraries	105,289,154.89	99,466,167.52
Charges for Care and Hospitalization of Persons	112,737,294.25	104,962,937.18
Charges for Admissions	0.00	1,900,369.42
*Admissions to Fairgrounds	631,930.03	0.00
*Admissions to Athletic Events	7,908.33	0.00
*Admissions to Plays and Concerts	1,075,101.88	0.00
*Admissions to Historic Sites	6,489.78	0.00
*Other Admissions	54,458.84	0.00
Capitol Area and KANS-A-N Telephone System Charges	11,872,752.78	10,438,597.09
Other Service Charges		
Collection Assistance Fee	293,669.49	269,010.94
Bond Registration Fees and Commissions	350,689.63	433,596.90
Other Miscellaneous Service Charges	15,337,919.79	13,174,582.42
Total Service Charges	288,270,982.96	271,072,683.94
Licenses, Permits and Registrations:		
Occupational Licenses, Permits and Registrations (Business)		
To Render Personal Services	3,984,127.07	3,746,853.84
To Engage in Business	7,505,957.64	6,924,559.54
Motor Carrier Businesses	4,466,143.50	4,370,378.34
Special Vehicle Permits	242,263.80	294,370.10
Bingo License Application and Registration Fees	19,075.00	21,425.00
Other Occupational Licenses, Permits and Registrations (Business)	480,651.01	468,591.29
Nonoccupational Licenses, Permits and Registrations (Nonbusiness)		
To Hunt, Fish or Trap	7,587,335.98	8,491,451.58
To Operate Motor Vehicle	6,164,125.76	4,683,327.50
Fish Hatchery Fees	861,250.00	948,784.00
Big Game Permits	1,856,156.00	38,490.00
Other Nonoccupational Licenses, Permits & Registrations (Nonbusiness)	1,439,163.48	1,357,585.65
Total Licenses, Permits and Registrations	33,606,249.24	31,346,316.84
Sale of Commodities		
Manufactured Products (Including Printing)	10,603,018.80	11,022,053.52
State Printed Matter and Publications	2,763,558.08	2,610,518.89
Farm, Garden and Orchard Crops, Dairy Products, Processed or Produced	2,255,280.61	2,179,732.68
Livestock and Poultry	2,783,706.46	2,610,639.87
Salvage, Scrap, Obsolete and Condemned Material	121,539.66	192,256.13
Usable Condemned Equipment	706,909.82	947,591.33
Sales of Meals and Processed Foods	9,464,258.82	8,670,320.75
Other Sundry Articles and Commodities	5,612,586.40	5,982,827.04
Total Sale of Commodities	34,330,858.65	33,815,940.21
Grain Marketing Assessments:		
Corn Marketing Assessment	552,803.67	348,221.42
Grain Sorghum Marketing Assessment	812,106.16	745,189.35
Soybean Marketing Assessment	499,144.51	390,900.41
Total Grain Marketing Assessments	1,864,054.34	1,484,311.18
Inter-Departmental Sales Through College and University Clearing Accounts	40,761,701.10	38,509,080.28
TOTAL AGENCY EARNINGS	398,833,846.29	376,228,332.45

* New revenue classification for fiscal year 1987.

## SCHEDULE "C-1"--Continued

COMBINED FUNDS  
Comparative Statement of Operating and Non-Operating Revenue  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING REVENUE (Continued)		
REVENUE FROM THE USE OF MONEY AND PROPERTY		
Investment Income - Kansas Public Employees Retirement System:		
Interest and Dividends from KPERS Investment	193,721,169.90	203,462,997.70
Amortization of KPERS Bond Premiums	(2,540,181.05)	(2,425,962.18)
Amortization of KPERS Bond Discounts	6,041,432.46	6,185,458.68
Gain or Loss on KPERS Investments Sold	163,417,634.87	226,264,446.20
Total Investment Income - Kansas Public Employees Retirement System	360,640,056.18	433,486,940.40
Investment Income - Other State Agencies:		
Interest on State Treasury Deposits	53,916,355.76	64,977,392.27
Interest on State Treasury Investments	8,593,882.42	6,759,629.49
Interest on State Agency Investments	19,729,718.44	19,653,905.32
Interest on Imprest Fund Accounts	610.86	706.01
Interest on Pooled Money Investment Board Loans to State Agencies	3,270,333.38	0.00
Gain or Loss on Investments Sold	(538,594.74)	242,129.91
Other Interest, Dividends, Premiums and Discounts	2,185,139.59	1,076,964.70
Total Investment Income - Other State Agencies	87,157,445.91	92,710,727.70
Rents and Royalties:		
Unimproved Land	173,970.28	174,056.41
Real Estate and Buildings	188,078.58	127,560.60
Halls and Rooms in State Buildings	31,707,828.41	34,141,467.84
Oil, Gas, Mineral and Sand Royalties	1,792,541.49	1,278,208.56
Sale of Rights to Manuscripts	0.00	0.00
Sale of Permission to Quote Copyrighted Material	15,745.80	3,524.04
Other Rents and Royalties	3,971,414.53	3,746,849.38
Total Rents and Royalties	37,849,579.09	39,471,666.83
TOTAL REVENUE FROM THE USE OF MONEY AND PROPERTY	485,647,081.18	565,669,334.93
GIFTS, DONATIONS AND GRANTS		
Federal Grants:		
Highways and Bridges	194,367,421.19	199,991,751.90
Public Health	42,186,666.00	40,310,582.08
Assistance and Relief:		
Social and Rehabilitation Services Federal Formula Grants Group A	211,149,700.00	192,511,900.00
Social and Rehabilitation Services Federal Formula Grants Group B	23,746,322.27	22,392,676.43
Social and Rehabilitation Services Federal Block Grants	52,224,532.00	51,640,276.00
Employment Security Administration	23,117,919.82	23,276,000.00
Education and Research	171,855,231.31	161,534,641.52
Other Federal Grants	75,577,269.10	90,839,821.60
Total Federal Grants	794,225,061.69	782,497,649.53
All Other Grants, Gifts, Donations and Contributions	27,775,644.19	26,104,420.15
TOTAL GIFTS, DONATIONS AND GRANTS	822,000,705.88	808,602,069.68
OTHER OPERATING REVENUE		
Workers' Compensation Fund Assessments	6,542,599.05	1,644,419.98
Workers' Compensation Fund - Non-Dependent Deaths	153,000.00	122,250.00
Workers' Compensation Division Assessments	2,022,289.54	2,688,341.22
Health Care Premium Surcharge	26,598,449.81	25,336,200.64
Health Care Provider Insurance Availability Plan Profits	45,930.00	0.00
Crime Victim Reparations Deductions from Docket Fees	471,248.18	419,843.92
District Court Clerk's Fees	8,727,043.55	8,730,657.76
Law Enforcement Training Center Deductions from Docket Fees	1,084,123.73	716,268.27
Fines, Penalties and Forfeitures - District Courts	7,949,987.55	7,477,697.30
Investment Income on District Court Accounts	342,331.36	365,767.76
Alcohol and Drug Safety Action Program Assessments	13,926.91	6,911.15
Other Fines, Penalties and Forfeitures	1,337,296.96	1,000,443.92
Unclaimed Property Receipts	1,664,625.96	1,669,492.63
Other Operating Revenue:		
Outlawed Warrants	548,029.94	583,187.89
Bad Debts Recovered	235,736.84	97,704.10
Other Miscellaneous Revenue	3,240,711.74	1,198,490.30
TOTAL OTHER OPERATING REVENUE	60,977,331.12	52,057,676.84
GROSS OPERATING REVENUE	4,393,284,865.46	4,213,222,604.67

• New revenue classification for fiscal year 1987.

## SCHEDULE "C-I"--Concluded

COMBINED FUNDS  
Comparative Statement of Operating and Non-Operating Revenue  
For the Fiscal Years Ending June 30

NON-OPERATING REVENUE	1987	1986
<b>BORROWINGS:</b>		
Revenue Bond Proceeds	16,012,131.00	15,838.25
Certificates of Participation Proceeds	35,273,500.00	27,108,965.15
Accrued Interest on Certificates of Participation Issued	165,630.37	171,161.61
Accrued Interest on Revenue Bonds Issued	74,093.66	1,205,538.95
Other Borrowings	8,830,000.00	(110,000.00)
<b>TOTAL BORROWINGS</b>	<b>60,355,355.03</b>	<b>30,391,503.94</b>
<b>RECEIPTS FROM THE CONVERSION OF ASSETS:</b>		
Kansas Public Employees Retirement System:		
KPERS Receivables	40,826,807.38	(46,899,515.97)
Sale of KPERS Securities (Cost)	18,036,083,123.21	13,138,531,324.29
Sale of Bonds by KPERS (Face)	1,772,679,215.30	2,678,474,845.21
Small Business Administration Loan Redemptions by KPERS	12,055.45	531,193.54
Mortgages Sold or Matured by KPERS	141,559,892.56	10,552,140.41
KPERS Investment Clearing	(19,971,161,075.90)	(15,781,189,987.48)
<b>Total Kansas Public Employees Retirement System</b>	<b>0.00</b>	<b>0.00</b>
Other State Agencies:		
Sale of Land and Buildings	154,298.61	97,860.38
Insurance Reimbursements	647,369.07	381,911.34
Investments (Book Value)	121,767,354.22	86,491,882.31
Other Asset Conversions	173,994.62	10,100.00
<b>Total Other State Agencies</b>	<b>122,743,016.52</b>	<b>86,981,754.03</b>
<b>TOTAL RECEIPTS FROM THE CONVERSION OF ASSETS</b>	<b>122,743,016.52</b>	<b>86,981,754.03</b>
<b>REIMBURSEMENTS AND REFUNDS:</b>		
Recovery of Current Fiscal Year Expenditures	36,009,399.96	36,710,471.17
Recovery of TIAA-CREF Remittances	48,675.52	41,583.49
AFDC Child Support Collections	10,795,635.25	10,574,899.02
General Medical Recoveries	2,199,853.29	1,294,489.44
Medical Audit Recoveries	0.00	534,151.56
Non-Welfare Child Support Collections	1,428,819.77	873,649.51
Refunds of Advances:		
Refunds of Advances for Petty Cash Funds	2,007.68	2,599.51
Refunds of Advances for Imprest Funds	10.82	3,000.00
Refunds of Advances for Independent Parcel Delivery		
Service Advance Funds	20.58	0.00
Other Refunds of Advances	134,256,431.66	109,529,667.59
Accrued Interest on Investments Purchased	59,783.99	316,667.59
Reimbursements and Refunds (Other than Sales) from Other		
State Agencies	41,760,440.14	34,710,097.74
Recovery of Accrued Interest Purchased on KPERS Investments	(25,347,090.72)	(32,411,019.28)
Other Reimbursements and Refunds	2,544,444.64	3,968,776.58
<b>TOTAL REIMBURSEMENTS AND REFUNDS</b>	<b>203,757,432.58</b>	<b>166,149,033.92</b>
<b>PENSION ASSESSMENTS AND O.A.S.D.H.I.</b>	<b>262,494,684.32</b>	<b>381,157,618.85</b>
<b>TRUSTS</b>	<b>410,405,108.92</b>	<b>350,043,588.93</b>
<b>TRANSFERS:</b>		
Transfers of Revenue from Other Funds	661,687,396.02	590,197,447.66
Payroll Consolidating Transfers In	375,343,881.30	348,450,589.97
Payroll transfers	171,927,064.47	309,327,674.21
<b>TOTAL TRANSFERS</b>	<b>1,209,008,341.79</b>	<b>1,247,975,711.84</b>
<b>SUSPENSE</b>	<b>4,641,870.13</b>	<b>2,333,140.17</b>
<b>OTHER NON-REVENUE RECEIPTS</b>		
Recovery of Prior Fiscal Year Expenditures	5,282,632.79	3,754,644.68
Deceased Bond Payments Transfer from Trustee	4,142,758.87	1,422,936.40
Agency Payments Under Certificates of Participation Agreements	5,467,554.95	2,642,421.08
Other Non-revenue Receipts	17,950,515.23	35,962,332.62
<b>TOTAL OTHER NON-REVENUE RECEIPTS</b>	<b>32,843,461.84</b>	<b>43,782,334.78</b>
<b>GROSS NON-OPERATING REVENUE</b>	<b>2,308,249,271.13</b>	<b>2,308,814,686.46</b>
<b>TOTAL GROSS REVENUE</b>	<b>* 6,699,534,136.59</b>	<b>* 6,522,037,291.13</b>

## SCHEDULE "C-11"

COMBINED FUNDS  
Comparative Statement of Operating and Non-Operating Expenditures  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING EXPENDITURES		
SALARIES AND WAGES		
Classified Employees -----	\$ 513,237,222.00	\$ 490,418,043.72
Unclassified Employees -----	311,580,197.03	298,704,401.01
Student Employees: -----	0.00	35,803,223.81
*Graduate Teaching Assistants (Monthly) -----	9,554,493.16	0.00
*Student Research Assistants (Monthly) -----	6,184,803.27	0.00
*Other Students (Monthly) -----	2,870,088.93	0.00
*Student Employees (Hourly) -----	18,859,496.04	0.00
Patient Employees -----	726,849.26	569,656.53
Special Payments: -----		
Foster Grandparents and Senior Companions Pay -----	43,820.40	110,039.05
Kansas National Guard Service Pay -----	46,299.11	9,994.00
Legislators' Compensation -----	1,053,682.95	1,082,619.42
Legislative Allowances -----	888,074.18	886,738.90
Pensions and Retirement Salaries and Wages: -----		
Classified Pensions and Retirement Salaries and Wages -----	1,214.67	1,555.18
Unclassified Pensions and Retirement Salaries and Wages -----	9,455.42	19,310.77
Other Employee Compensation: -----		
Work Improvement Suggestion Awards -----	3,647.07	0.00
Salary Advances -----	1,401.26	592.88
State Pension Fund Contributions: -----		
Public Employees Retirement System Contributions -----	18,768,810.06	19,460,191.25
Teachers Retirement Contributions KPERS -----	41,919.00	41,692.49
Educational Institutions Employees Retirement System -----		
Contributions -----	13,695,528.91	11,093,657.55
Educational Institutions Public Employees Retirement -----		
System Contributions (Prior Service Credits) -----	1,529,365.63	1,124,034.23
Educational Institutions TIAA-CREF Employees Group Life -----		
and Disability Insurance Contributions -----	1,300,968.11	1,238,701.95
Judges Retirement Fund Contributions -----	755,189.73	711,952.98
Correctional Officers Retirement Contributions -----	1,127,250.38	1,221,240.47
Police and Firemen's Retirement System Contributions -----		
Highway Patrol -----	1,857,854.73	1,796,872.03
Police and Firemen's Retirement System Contributions -----		
KBI -----	263,473.36	238,775.09
Other Employer Payroll Contributions: -----		
Federal OASDHI Contributions -----	55,409,747.13	53,326,856.66
Federal Employees Group Health and Life Insurance -----	528,891.70	532,103.61
Federal Employees Civil Service Retirement Contributions -----	1,048,504.95	990,621.99
Group Health and Hospitalization Insurance -----	33,434,056.49	32,035,669.33
State Workers' Compensation Contributions -----	5,983,801.10	5,729,173.71
State Unemployment Compensation Tax -----	805,717.86	1,614,551.52
TOTAL SALARIES AND WAGES -----	1,001,611,823.89	958,766,270.13
CONTRACTUAL SERVICES		
Communications: -----		
Postage -----	8,487,591.09	8,736,082.90
Telephone Service, Local Vendor -----	8,599,464.97	9,432,776.65
Telephone, Long Distance (Non-KANS-A-N) and Telegram, Paid -----		
to Vendor -----	369,933.15	386,116.47
Private Line Voice/Data Transmission/Communication Equipment -----		
and Services (Commercial Vendors) -----	8,072,287.73	7,592,656.83
Intergovernmental Voice/Data Service, Local, Paid to -----		
State Agencies -----	5,258,498.11	3,750,549.37
Intergovernmental Postage Payments -----	4,250,333.89	3,865,743.72
Intergovernmental Telephone and Telegraph, Commercial Long -----		
Distance - State -----	577,501.17	491,806.46
Intergovernmental Telephone and Telegraph, (KANS-A-N), -----		
State -----	10,656,289.46	9,091,603.73
Other Communication -----	185,702.77	200,725.78
Freight and Express: -----		
Freight -----	513,196.00	439,144.48
Moving of Agency Offices -----	208,793.86	230,188.86
Employees' Personal Effects, In-State -----	72,055.96	83,641.07
Employees' Personal Effects, Out-of-State -----	42,467.04	59,034.92
Package Delivery Services -----	663,327.98	630,019.54
Other Freight and Express -----	28,549.38	28,133.73
Printing, Duplicating and Advertising: -----		
Printing and Binding (Payments to State Facilities Only) -----	6,446,600.10	6,684,074.54
Duplicating, Blue-Printing and Reproducing -----	2,903,927.62	2,879,048.51
Advertising (Classified and Legal) -----	1,441,045.98	1,249,826.63
Other Vendor Printing and Binding -----	1,270,956.75	1,446,827.46
Rental of Property and Equipment: -----		
Rent of Reprographic Equipment -----	1,879,276.86	2,195,342.32
Rent of Space in Buildings -----	10,725,728.36	9,041,982.13
Rent of Equipment -----	920,398.76	1,017,017.69
Rent of Land -----	248,129.72	272,568.21
Rental of Computer System Equipment -----	2,073,533.62	3,010,656.12
Rental of Information Processing Equipment -----	874,047.06	1,387,987.76
Rental of Computer or Information Processing Software -----	1,483,389.33	1,456,973.42
Intergovernmental Rent of Space in Buildings -----	10,675,721.76	9,913,755.68
Other Rent -----	1,895,513.62	549,158.18

* New expenditure classification for fiscal year 1987.

COMBINED FUNDS  
Comparative Statement of Operating and Non-Operating Expenditures  
For the Fiscal Years Ending June 30

## OPERATING EXPENDITURES (Continued)

	1987	1986
CONTRACTUAL SERVICES (Concluded)		
Repairing and Servicing:		
Passenger Cars	613,850.32	687,291.87
Other Self-Propelled Equipment	1,070,233.57	889,553.25
Machinery and Equipment (Except Self-Propelled) and Furniture and Fixtures	6,015,842.64	5,574,112.71
Buildings and Grounds	11,882,695.47	11,024,698.92
Highways and Bridges	9,271,047.59	8,330,166.17
Repairing and Servicing Computer Systems Equipment	2,933,081.15	2,619,623.78
Information Processing, Microcomputer Systems and Data Communications Equipment	2,807,413.73	2,636,133.96
Computer Systems and Information Processing Equipment Software	599,387.77	499,242.69
Repairing and Servicing Not Otherwise Classified	905,491.68	769,088.99
Travel and Subsistence:		
Private Car Mileage	4,176,627.32	4,244,214.76
Hire of Passenger Cars, Airplanes and Buses	649,230.73	674,220.90
State Car Expense	677,456.21	695,043.39
Motor Pool Vehicle Rental Charges	2,773,591.23	2,938,117.27
Subsistence and Meals - IRS Reportable	1,421,528.77	1,319,854.91
Railroad, Airplane and Bus Fares (Including Pullman)	1,911,061.91	2,153,199.68
Subsistence (Including Lodging)	6,336,167.09	6,892,117.31
Non-subsistence Items	1,422,538.47	1,518,162.02
Fees-Other Services:		
Recruitment Expenses (Out-of-State Applicants)	280,267.14	368,179.23
Honorariums	837,409.35	805,367.22
Data Processing Services	27,735,965.41	26,776,104.61
Recording Fees, Servicing Fees and Court Costs	177,571.55	136,464.00
Laboratory Fees	1,649,484.01	1,218,910.46
Tuition for Employees and Students	915,995.43	1,040,781.47
Boarding Home Payments (Care of Wards)	50.84	0.00
Maintenance and Tuition for Rehabilitation Clients	6,202,701.40	5,978,945.28
Other Fees	17,876,790.54	15,041,316.28
Fees-Professional Services:		
Architects and Engineers	11,171,261.66	10,525,847.04
Attorneys and Lawyers	7,117,323.28	5,254,091.46
Physicians and Medical Associations	2,402,327.87	2,256,681.37
Hospitals and Nursing Homes	3,073,437.66	2,171,515.06
Advertising Agencies	715,336.24	457,286.30
Veterinarians	373,234.96	378,127.97
Lecturers, Speakers and Entertainers	2,055,063.87	1,877,497.18
Accountants and Auditors	452,087.19	720,940.13
Other Professional Fees	41,587,341.37	28,111,317.18
Public Utility Service (Except Telephone and Telegraph):		
Electricity	27,224,444.77	25,512,420.88
Natural Gas	10,423,540.31	11,685,038.80
Steam	183,984.14	278,310.11
Water	1,873,583.21	1,677,193.43
Sewage Charges	1,128,822.41	1,039,301.37
Solid Waste Charges	609,152.48	371,818.66
Other Utilities	6,625.76	9,410.70
Other Contractual Services:		
Dues, Memberships and Subscriptions	5,881,202.06	5,198,788.03
Laundry, Dry Cleaning and Towel Service	764,707.77	610,815.39
Ward and Prisoner Incentive Earnings	702,108.55	626,601.55
Recreation and Entertainment	2,752,604.82	3,036,125.91
Rewards, Premiums, Bounties and Employee Awards (Non-Cash)	149,896.87	135,471.37
Surety Bond and Insurance Premiums	14,300,257.45	8,948,931.07
Official Hospitality	187,169.68	202,303.10
Other Contractual Services	9,852,383.79	9,411,014.87
TOTAL CONTRACTUAL SERVICES	347,055,651.59	309,451,203.24
COMMODITIES		
Clothing	1,760,496.60	1,931,566.10
Feed and Forage	1,243,460.55	1,537,116.42
Food for Human Consumption	14,089,687.95	13,277,694.88
Fuel (Other than for Motor Vehicles):		
Coal and Coke	0.00	49.75
Fuel, Oil, Diesel and Kerosene	712,077.39	58,318.70
Liquid Propane Gas and Butane	114,689.39	191,312.88
Other Fuel	373.60	352.20

## SCHEDULE "C-II"--Continued

COMBINED FUNDS  
Comparative Statement of Operating and Non-Operating Expenditures  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING EXPENDITURES (Continued)		
COMMODITIES (Concluded)		
Maintenance and Construction Materials, Supplies and Parts:		
Materials and Supplies for Buildings	6,455,086.52	6,848,252.88
Highway and Bridge Materials and Supplies	13,408,297.05	16,096,916.02
Computer System Parts Replacement and Repair	347,690.47	291,607.43
Other Equipment Parts, Material and Supplies	4,362,122.65	4,531,595.82
Motor Vehicle Parts, Supplies and Accessories:		
Gasoline	3,202,515.09	4,759,573.99
Diesel Fuel	1,307,042.30	1,624,557.39
Gasohol	1,920.08	1,443.42
Liquefied Petroleum, Butane, Natural Gas	67,082.71	88,947.15
Aircraft Fuel	237,691.19	251,007.22
Motor Oil	144,796.26	178,210.63
Other Parts, Supplies and Accessories	3,622,975.74	3,549,418.72
Professional and Scientific Supplies and Materials:		
Drugs and Pharmaceuticals	10,087,478.95	8,770,055.47
Animal Drugs	199,296.90	259,411.60
Other Professional Scientific Supplies and Materials	25,181,724.32	24,614,105.59
Stationery, Office and Data Processing Supplies:		
Stationery and Office Supplies	7,630,699.90	8,142,858.46
Data Processing Supplies	2,728,242.50	2,373,772.07
Telecommunications Termination Equipment	157,483.14	395,394.46
Research Supplies and Materials	2,172,515.71	1,987,221.06
Other Supplies, Materials and Parts:		
Agricultural Supplies (Other than Feed and Forage), Materials and Parts	1,560,053.35	1,755,972.10
Household, Laundry and Kitchen Supplies and Materials	5,959,097.44	5,950,422.42
Power Plant Supplies	508,436.13	719,736.43
Recreation Supplies and Materials	238,362.70	262,410.18
Small Tools	477,869.21	509,171.27
Motor Vehicle License Tags, Etc. (For Resale)	3,007,865.02	1,189,770.96
Supplies Used in Manufacturing and Printing (For Resale)	6,533,803.23	6,193,990.38
Commodities Purchased For Resale To Using Departments	2,792,221.66	2,841,687.28
Other Supplies, Materials and Parts	1,023,056.01	1,111,449.22
TOTAL COMMODITIES	121,336,211.51	122,095,370.95
CAPITAL OUTLAY		
Equipment, Machinery, Furniture and Fixtures:		
Agricultural Equipment and Machinery	625,762.02	921,487.13
Household, Laundry and Kitchen Equipment and Furniture	1,579,959.50	1,455,646.95
Office Furniture, Fixtures and Equipment	3,381,800.30	3,941,410.95
Professional and Scientific Equipment	11,843,284.59	13,332,088.46
Passenger Cars	3,356,404.88	3,384,997.69
Trucks and Other Self-Propelled Equipment	7,571,086.27	7,523,663.91
Road and Highway Machinery and Equipment	927,815.86	899,905.98
Shop and Plant Maintenance Equipment	1,270,936.90	1,229,966.90
Other Equipment, Machinery, Furniture and Fixtures	565,908.13	1,000,044.57
Livestock	1,069,680.48	1,193,541.57
Books and Library Material	4,058,207.29	4,600,171.80
Reprographic Equipment	766,630.21	969,935.43
Computer Systems Equipment and Software:		
Microcomputer Systems and Support Equipment	5,660,725.91	5,212,065.75
Computer Systems Equipment	10,301,531.22	7,153,239.42
Information Processing Equipment	2,301,104.24	2,534,474.23
Computer Systems, Information Processing/Microcomputer Systems Software	2,940,585.45	1,751,430.58
Buildings and Improvements	51,276,935.43	25,681,311.61
Land and Interest in Land:		
Land and Interest in Land	4,806,257.61	4,847,697.57
Assessments for Improvements	53,849.76	38,890.27
Land Nonstructural Improvements	2,069,024.81	1,323,717.96
Highways and Bridges	262,915,909.20	288,303,756.21
Telecommunications/Data Facilities Equipment (State-Owned):		
Telecommunications Termination Equipment	881,904.96	405,109.24
Telecommunications Switching Equipment	150,595.22	352,821.72
Telecommunications Transmission Equipment	241,588.34	238,959.03
Radio (Portable) Equipment	347,416.15	988,906.98
Radio (Fixed) Equipment	149,406.22	359,568.40
Data Communications Equipment	111,509.39	123,139.94
Equipment Purchases for Non-State Use:		
Equipment Purchases for "Aid" Contracts	27,677.28	54,192.23
Equipment Purchases for Rehabilitation Clients	463,299.71	292,701.68
Computer Equipment and Software Purchases for County Reappraisal		
Other Capital Outlays:		
Other Books and Library Material	150,926.20	83,614.33
Other Fixed and Moveable Property	780,351.38	436,480.33
Capital Outlay Items Purchased for Resale to Using Departments	1,956,212.14	1,934,747.15
TOTAL CAPITAL OUTLAY	394,604,087.05	382,164,685.97

## SCHEDULE "C-II" Continued

COMBINED FUNDS  
Comparative Statement of Operating and Non-Operating Expenditures  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING EXPENDITURES (Concluded)		
GRANTS, CLAIMS AND SHARED REVENUE		
Federal Aid Payments:		
Federal Aid to Counties, Cities, Districts, Public Schools, and Other Local Units	110,187,728.41	108,398,319.07
Federal Aid to Qualified Non-State Organizations	39,571,227.84	39,607,119.22
Federal Aid to Other State Agencies	4,154,122.13	30,407,243.16
State Aid Payments:		
State Aid to Counties, Cities, Districts, Public Schools and Other Local Units	753,612,104.71	751,852,051.74
Shared Revenue	137,328,669.52	127,341,441.41
School District Employees Retirement Contributions	32,607,232.28	41,455,730.60
Local City-County Sales and Compensating Use Tax	189,686,173.59	163,696,403.04
State Aid to Qualified Non-State Organizations	10,222,697.26	9,634,499.67
State Aid to Other State Agencies	191,901.20	182,975.95
Local City-County Transient Guest Tax Payments	4,521,995.48	4,007,965.95
Claims:		
Death Claims	4,518.96	4,518.96
Personal Injury Claims	7,228.71	101,598.46
Property Damage or Loss Claims	269,460.94	168,643.98
Worker's Compensation Claims	12,994,556.04	10,939,032.53
Medical Malpractice Claims	11,720,578.87	11,123,278.36
Civil Rights Conciliation Claims	45,830.00	9,000.00
Prompt Payment Act Interest Penalties	1,388.36	362.94
Other Claims	3,794,867.24	18,155,492.71
Employment Security Benefits	179,817,023.32	159,285,754.87
Retirement Annuities and Payments:		
KPERs Benefits-Legislative Employees	25,380.00	19,235.00
KPERs Benefits-State Employees	28,326,962.39	24,556,663.06
KPERs Benefits-Non State Employees	15,138,139.88	13,517,337.17
KPERs School Retirement Benefits	8,963,762.92	9,322,476.97
Highway Patrol and KBI Retirement Benefits	7,532,100.79	6,965,887.15
KPERs-Police and Firemen Retirement Benefits-State Employees	2,244,132.91	2,036,132.50
KPERs Police and Firemen Retirement Benefits-Non-State Employees	5,056,658.94	4,332,857.92
KPERs-Teacher Retirement Benefits-State Employees	322,940.86	316,394.56
KPERs-Teacher Retirement Benefits-Non-State Employees	46,242,138.07	41,067,107.37
KPERs Judges and Court Reporters Benefits	1,048,392.17	948,682.71
State Special Grants:		
Direct State Welfare Assistance	208,823,930.64	202,103,226.48
Direct Federal Welfare Assistance	193,880,964.39	181,641,233.09
Hospital Residencies and Internships	1,274,027.42	1,487,177.90
Tuition Grants	5,127,138.00	4,919,045.00
Homestead Property Tax Relief Payments	6,393,496.04	8,017,424.02
Nutrition and Health Grants	10,614,688.29	9,722,275.51
Other State Special Grants	2,000.00	2,000.00
Scholarship Grants:		
Scholarships, Fellowships and Grants to Students (Taxable)	1,426,481.49	26,395.25
Trainee's Stipends-Sponsored Instructional Grants	1,557,182.82	1,342,247.44
Trainee's Travel Allowances-Sponsored Instructional Grants	24,426.12	16,096.69
Trainee's Enrollment Fees-Sponsored Instructional Grants	346,778.87	373,905.34
Trainee's Room and Board-Sponsored Instructional Grants	10,515.52	49,506.26
Scholarships, Fellowships and Grants to Students (Non-Taxable)	23,498,127.54	26,242,827.64
Off-Campus Work Study	379,369.65	368,470.41
Training, Travel and Subsistence Allowances-Federal:		
Employment Security Benefits	27,186.00	45,030.00
JTPA Payments for Client Related Activities	7,489.42	18,480.56
WIN Payments for Client Related Activities	1,473.31	1,551.84
Other Grants, Claims and Shared Revenue:		
Losses From Monetary Transactions	1,332,341.78	1,537,407.55
Agricultural Conservation Program Payments	11,767,065.38	15,546,358.47
Other Grants, Claims and Shared Revenue	2,072,134,596.47	2,032,914,866.48
TOTAL GRANTS, CLAIMS AND SHARED REVENUE	2,072,134,596.47	2,032,914,866.48
DEBT SERVICE		
Interest and Service Charges on Institutional or Departmental Debt	25,072,689.06	4,971,097.71
GROSS OPERATING EXPENDITURES	2,097,207,285.53	2,037,885,964.19

* New expenditure classification for fiscal year 1987.

## SCHEDULE "C-II"--Concluded

COMBINED FUNDS  
Comparative Statement of Operating and Non-Operating Expenditures  
For the Fiscal Years Ending June 30

	1987	1986
NON-OPERATING EXPENDITURES		
DEBT SERVICE		
Repayment of Principal on Institutional or Departmental Debt	37,925,309.73	9,634,348.00
NON-EXPENSE ITEMS		
Investments-Kansas Public Employees Retirement System:		
Securities Purchased by KPERS	18,469,633,078.03	13,145,196,858.92
KPERS Accumulated Depreciation	(888,033.20)	(519,580.11)
Bonds Purchased (Face) by KPERS	1,781,337,097.75	3,050,107,368.01
Premium on Bonds - KPERS	(34,037,210.03)	50,773,316.07
Discount on Bonds - KPERS	(11,539,451.79)	8,453,923.73
Deferred Gain on Bond Swaps - KPERS	0.00	0.00
Deferred Loss on Bond Swaps - KPERS	0.00	0.00
Small Business Administration Loan Purchases by KPERS	0.00	0.00
Mortgage Purchases by KPERS	104,380,745.20	22,372,553.87
Accrued Interest Purchased on KPERS Investments	(3,880,266.05)	4,803,943.67
KPERS Payable	41,307,636.56	(54,841,283.76)
KPERS Deferred Premiums on Written Call and Put Options	0.00	0.00
KPERS Investment Clearing	(20,346,313,596.47)	(16,226,347,100.40)
Total Investments-Kansas Public Employees Retirement System	0.00	0.00
Investments-Other State Agencies:		
Principal and Premiums	127,591,099.53	112,672,383.68
Accrued Interest Purchased	58,783.99	308,349.45
Total Investments-Other State Agencies	127,649,883.52	112,980,733.13
Refunds:		
Reimbursements	246,490,793.03	220,586,213.87
Food Sales Tax Refunds	2,377,741.26	1,098,503.88
Interest Income on Unclaimed Property Refunds	11,055.80	1,104.89
Dividend Income on Unclaimed Property Refunds	2,773.97	6,981.24
Royalty Income on Unclaimed Property Refunds	0.00	10,888.64
Return of Non-Taxable Retirement Contributions	8,227,200.73	11,532,457.44
Interest Payments on Retirement Contributions	3,861,350.94	3,918,517.71
Return of School Savings Contributions	2,243.28	2,642.91
Return of Pension Savings to School Annuitants	735,539.39	776,229.19
Return of Taxable Retirement Contributions	7,222,441.26	4,643,855.70
Return of Unexpended Federal Grants to Federal Agencies	296,713.91	267,136.46
Return of Federal Advances for Right-of-Way	344,789.61	457,034.50
Total Refunds	269,572,643.18	243,301,646.43
Transfers:		
Transfers by Disbursement (Inter-Intra Agency)	124,113,155.11	83,930,202.19
Payroll Consolidating Transfers Out	389,748,979.03	304,527,405.15
Advance Earned Income Credit	897.72	904.58
Transfers to Trustee for Defeased Bonds	0.00	35,502,283.26
Transfers from Payroll Clearing Fund	72,331,924.00	125,384,843.23
Demand Transfers of Revenue	155,844,178.51	153,308,113.48
Total Transfers	742,039,134.37	702,653,751.89
Advances and Other Non-Expense Items:		
Advances	(21,416,525.17)	(4,061,825.88)
Investment Advances-Kansas Public Employees Retirement System	482,662,500.57	548,917,112.92
Advances for Petty Cash Funds	1,925.00	3,974.26
Advances for Imprest Funds	41,400.00	3,102.00
Advances for Independent Parcel Delivery Service	1,475.00	1,167.07
Temporary Imprest Fund Advance for Payroll	0.00	1,000.00
National Direct Student Loans	6,617,267.50	6,099,686.00
Health Professions Student Loans	485,041.00	656,602.00
Rural Medical Forgivable Loans	410,000.00	445,147.00
Other Student Loans	100,000.00	0.00
Kansas Fiscal Agency Disbursements	409,663,909.14	348,126,994.13
Remittance of Retirement Annuity Premiums	33,243,744.15	29,266,921.18
Remittance of Health Insurance Premiums	58,686,202.36	59,852,791.13
Taxes Remitted	377,960,539.09	491,886,224.26
Payments from Certificate of Participation Acquisitions Funds	17,505,936.88	10,696,893.50
Depreciation Expense on KPERS Building Investments	888,033.20	519,580.11
Warrants Issued from Payroll Clearing Fund	102,629,665.02	186,998,341.20
Other Non-Expense Items	25,687,733.74	23,012,142.43
Total Advances and Other Non-Expense Items	1,495,168,847.48	1,702,425,893.31
GROSS NON-OPERATING EXPENDITURES	2,672,355,818.28	2,770,996,332.76
GROSS EXPENDITURES	\$ 6,624,170,877.85	\$ 6,581,364,826.84



## SECTION II

# STATE GENERAL FUND

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## **State General Fund**

All revenues coming into the state treasury not specifically authorized by the constitution or by statute to be placed in a separate fund, and not given or paid over to the State Treasurer in trust for a particular purpose shall constitute the State General Fund. All legislative appropriations which do not designate a specific fund from which they are to be paid shall be considered to be proper charges against the State General Fund.

## EXHIBIT "A"

STATE GENERAL FUND  
Comparative Balance Sheet  
June 30

	1987	1986
<u>RECOGNIZED ASSETS</u>		
Equity in State Treasurer's Common Cash Fund -----	\$ 113,899,419.75	\$ 62,137,168.62
Cash in Agencies Imprest Funds -----	332,160.00	324,960.00
<u>TOTAL RECOGNIZED ASSETS</u> -----	<u>\$ 114,231,579.75</u>	<u>\$ 62,462,128.62</u>
<u>LIABILITIES, OTHER OBLIGATIONS AND AVAILABLE BALANCES</u>		
<u>LIABILITIES</u>		
Unredeemed Warrants -----	\$ 24,723,263.57	\$ 20,894,710.63
Accrued KPRS Quarterly School Employee Distribution (See Section XII, Note 21) -----	22,572,897.00	10,559,191.00
<u>TOTAL LIABILITIES</u> -----	<u>47,296,160.57</u>	<u>31,453,901.63</u>
<u>OTHER OBLIGATIONS</u>		
Total Unliquidated Encumbrances -----	15,922,946.30	21,563,642.43
Unencumbered Balance of Appropriations Reappropriated -----	10,897,055.77	21,338,343.19
Total Other Obligations -----	26,820,002.07	42,901,985.62
<u>AVAILABLE BALANCES</u>		
Unencumbered Cash Balance Available to Finance Appropriations July 1, 1987 to June 30, 1988 -----	62,356,154.11	
Unencumbered Cash Balance Available to Finance Appropriations July 1, 1986 to June 30, 1987 -----		(1,659,527.63)
Amount Available for the KPRS Quarterly School Employee Distri- bution Financed from Succeeding Fiscal Year Appropriations (See Section XII, Note 21) -----	22,572,897.00	(10,559,191.00)
Unencumbered Cash Balance Available to Finance Appropriations July 1, 1987 to June 30, 1988 Net of Accrued Liabilities Financed from Succeeding Fiscal Year Appropriations -----	39,783,257.11	
Unencumbered Cash Balance Available to Finance Appropriations July 1, 1986 to June 30, 1987 Net of Accrued Liabilities Financed from Succeeding Fiscal Year Appropriations -----		(12,218,718.63)
Agencies' Imprest Funds -----	332,160.00	324,960.00
Total Available Balances -----	40,115,417.11	(11,893,758.63)
<u>TOTAL LIABILITIES, OTHER OBLIGATIONS AND AVAILABLE BALANCES</u> -----	<u>\$ 114,231,579.75</u>	<u>\$ 62,462,128.62</u>

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## SCHEDULE "A-1"

STATE GENERAL FUND  
Comparison of Resources Available for Appropriation  
For the Fiscal Years Ending June 30

	1987	1986
Unencumbered Cash Balance for Appropriations at Beginning of Year -----	\$ (1,659,527.63)	\$ 100,327,216.07
Add Prior Years' Appropriations Reappropriated -----	21,338,343.19	20,078,368.69
Add Difference Between Prior Years' Encumbrances and Expenditures Charged to Those Encumbrances -----	<u>1,613,586.32</u>	<u>848,040.67</u>
Adjusted Unencumbered Cash Balance at Beginning of Year -----	21,292,401.88	121,253,825.43
Difference Between Current Year Revenue and Current Year Charges		
Current Year Revenue -----	<u>1,778,542,578.61</u>	<u>1,641,428,521.95</u>
Current Year Charges:		
Expenditures -----	1,574,764,701.91	1,584,273,058.38
Demand Transfers -----	<u>155,844,178.51</u>	<u>153,308,113.48</u>
Total Expenditures and Demand Transfers -----	1,730,608,880.42	1,737,581,171.86
Less Expenditures Charged to Prior Years' Encumbrances -----	<u>17,919,858.12</u>	<u>14,668,527.03</u>
Expenditures Chargeable to Current Year's Appropriations -----	1,712,689,022.30	1,722,912,644.83
Add Unliquidated Encumbrances Chargeable to Current Year's Appropriations -----	<u>13,892,748.31</u>	<u>20,090,886.99</u>
Current Year Charges Against Current Year Appropriations --	1,726,581,770.61	1,743,003,531.82
Excess of Current Year Revenue Over Current Year Expenditures -----	<u>51,960,808.00</u>	<u>(101,575,009.87)</u>
Unencumbered Cash Balance, June 30 -----	73,253,209.88	19,678,815.56
Less Unencumbered Appropriations:		
Fiscal Year Appropriations -----	1,650,600,527.00	1,598,563,532.80
Demand Transfers -----	155,844,178.51	153,308,113.48
Reappropriations of Unencumbered Balance of Preceding Fiscal Year's Legislative Appropriations -----	<u>21,338,343.19</u>	<u>20,078,368.69</u>
Subtotal -----	1,827,783,048.70	1,771,950,214.97
Add Reappropriations and Encumbrances transferred from Federal Revenue Sharing Fund to State General Fund --	0.00	327,340.79
Add Adjustments to Preceding Fiscal Year's Reappropriations -----	<u>21,269.95</u>	<u>930.76</u>
Total Appropriations and Reappropriations (Adjusted) and Demand Transfers -----	1,827,804,318.65	1,772,278,486.52
Add Difference Between Prior Years' Encumbrances and Expenditures Charged to those Encumbrances -----	<u>1,613,586.32</u>	<u>848,040.67</u>
Total -----	1,829,417,904.97	1,773,126,527.19
Less Charges Against Current Appropriations -----	<u>1,726,581,770.61</u>	<u>1,743,003,531.82</u>
Unencumbered Balance of Appropriations -----	102,836,134.36	30,122,995.37
Less Appropriations Lapsed By Legislative Session ---	<u>91,939,078.59</u>	<u>8,781,352.18</u>
Unencumbered Balance of Appropriations Reappropriated -----	<u>10,897,055.77</u>	<u>21,338,343.19</u>
Unencumbered Cash Balance Available to Finance Succeeding Fiscal Year Appropriations -----	62,356,154.11	(1,659,527.63)
Less Amount Available for Accrued KPERS Quarterly Employee Distribution Financed from Succeeding Fiscal Year Appropriations* -----	<u>22,572,897.00</u>	<u>(10,559,191.00)</u>
Unencumbered Cash Balance Available to Finance Succeeding Fiscal Year Appropriations Net of Accrued Liabilities Financed from Succeeding Fiscal Year Appropriations -----	\$ 39,783,257.11	\$ (12,218,718.63)

* This represents the amount of employers' contributions payable to the Kansas Public Employees Retirement Fund for certain educational-related employees which accrued during the 3rd and 4th quarters of fiscal year 1987 or the 4th quarter of fiscal year 1986. See Section XII, Note 21.

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

STATE GENERAL FUND  
Analysis of Change in Unencumbered Cash Balance  
July 1, 1986 to June 30, 1987

EXHIBIT "B"

AMOUNTS AVAILABLE FOR EXPENDITURES

Unencumbered Cash Balance at July 1, 1986 -----	\$ 19,678,815.56	
Encumbrances Outstanding at July 1, 1986 -----	<u>21,563,642.41</u>	
Subtotal -----	<u>41,242,457.97</u>	
Revenue Fiscal Year 1987 -----	<u>1,778,542,578.61</u>	
TOTAL AVAILABLE -----		\$ 1,819,785,036.60

AMOUNTS EXPENDED AND ENCUMBERED

Expenditures Fiscal Year 1987 -----	1,730,608,880.42	
Encumbrances Outstanding at June 30, 1987		
Firm Obligations -----	15,922,946.30	
Contingent Obligations -----	<u>0.00</u>	
TOTAL EXPENDED AND ENCUMBERED -----		<u>1,746,531,826.72</u>
UNENCUMBERED BALANCE AT JUNE 30, 1987 -----		\$ 73,253,209.88 *

* This amount does not take into consideration \$10,897,055.77 of reappropriated balance of appropriations at June 30, 1987. This amount does not include the agencies' imprest funds held in local bank accounts in the amount of \$332,160.00.

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

STATE GENERAL FUND  
Comparative Statement of Revenue and Expenditures  
For the Fiscal Years Ending June 30

EXHIBIT "C"

	1987	1986
OPERATING REVENUE		
Taxes	\$ 1,761,327,948.61	\$ 1,594,509,638.66
Agency Earnings	13,003,503.24	13,160,642.77
Revenue from the Use of Money and Property	35,593,957.08	42,914,243.41
Gifts, Donations and Grants	8,158.21	14,890.66
Other Operating Revenue	18,850,640.85	18,394,421.49
GROSS OPERATING REVENUE	1,828,784,207.99	1,668,993,836.99
OPERATING EXPENDITURES		
Salaries and Wages	511,552,234.27	520,771,669.39
Contractual Services	116,897,369.02	113,693,136.42
Commodities	24,892,794.92	25,415,610.50
Capital Outlay	20,367,106.05	23,120,973.07
Grants, Claims, Shared Revenue and Debt Service	899,541,401.73	899,998,844.58
GROSS OPERATING EXPENDITURES	1,573,250,905.99	1,583,000,233.96
Excess of Operating Revenue Over Operating Expenditures	255,533,302.00	85,993,603.03
NON-OPERATING REVENUE		
Receipts from Conversion of Assets	0.00	500.00
Reimbursements and Refunds	490,822.44	1,499,109.87
Transfers	(50,891,023.07)	(29,255,138.18)
Other Non-Operating Receipts	158,571.25	190,213.27
GROSS NON-OPERATING REVENUE	(50,241,629.38)	(27,565,315.04)
NON-OPERATING EXPENDITURES		
Debt Service	0.00	0.00
Advances	12,950.00	2,541.33
Demand Transfers of Revenue	155,844,178.51	153,308,113.48
Transfers by Disbursements	1,100,845.92	825,136.09
Other Non-Operating Expenditures	400,000.00	445,147.00
GROSS NON-OPERATING EXPENDITURES	157,357,974.43	154,980,937.90
Excess of Non-Operating Expenditures Over Non-Operating Revenue	207,599,603.81	182,146,252.94
EXCESS OF REVENUE OVER EXPENDITURES	\$ 47,933,698.19	\$ 96,152,649.91
EXCESS OF EXPENDITURES OVER REVENUE		

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## SCHEDULE "C-1"

STATE GENERAL FUND  
Comparative Statement of Operating and Non-Operating Revenue  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING REVENUE		
TAXES		
Property Taxes		
Motor Carrier (Rolling Stock)	\$ 10,945,541.25	\$ 8,059,947.31
Income and Inheritance Taxes		
Corporation Income Tax Return Payments	18,108,155.42	49,566,971.66
Corporation Estimated Tax Payments	86,524,510.36	86,251,488.88
Individual Income Tax Return Payments	(65,101,400.22)	(60,777,669.65)
Employer's Withholding Tax Remittances	597,159,146.66	545,244,254.06
Individual Estimated Tax	102,421,739.21	97,691,314.30
Inheritance Tax	31,645,110.04	32,360,299.93
Privilege Tax on Net Income of Certain Financial Institution	26,118,778.43	17,105,093.06
Domestic Insurance Company Income Tax	480,754.51	320,755.13
Sales, Use, Ownership and Other Excise Taxes		
State Sales Tax	637,608,155.69 (a)	489,591,673.38
State Consumer's Compensating Tax	41,542,896.59 (a)	31,523,976.19
State Retailer's Compensating Tax	47,682,270.28 (a)	39,602,421.25
Cigarette Tax	60,269,414.37	58,058,951.71
Cereal Malt Beverage	4,283,987.20	4,622,087.44
Liquor Enforcement	18,246,247.78	17,743,451.60
Liquor Gallonage Tax	11,399,043.61	11,247,818.66
Liquor Private Club Tax	2,710,886.21	2,619,372.83
Tobacco Products	1,375,439.26	1,289,344.12
Corporation Franchise Tax	8,569,880.99	8,341,943.64
Wheat	102,580.00	121,560.00
Motor Vehicle Dealer's Tax	53,658.41	53,415.50
Severance Tax on Coal	933,779.14	631,681.67
Severance Tax on Salt	74,892.07	80,622.18
Severance Tax on Oil	26,294,005.73	52,504,767.81
Severance Tax on Gas	29,776,629.23	38,793,376.02
Gross Receipts Taxes		
Car Companies and Owners	764,701.35	838,440.68
Insurance Companies		
Insurance Premiums (Foreign)	49,858,491.30	47,636,805.52
Insurance Premiums (State Fire Marshal)	2,040,436.40	1,948,420.56
Insurance Premiums (Domestic)	6,229,515.45	6,023,837.04
Insurance Premiums (Retaliatory)	2,843,501.61	5,070,561.27
Bingo Tax	257,979.22	247,294.58
Transient Guest Tax	97,739.17	85,296.74
Musical and Dramatical Compositions Tax	9,481.89	10,063.59
TOTAL TAXES	<u>1,761,327,948.61</u>	<u>1,594,509,638.66</u>
AGENCY EARNINGS		
Services Charges:		
Charges for Inspection, Supervision, Examination and Audits		
Bank Commissioner	202,181.55	205,104.25
Board of Barber Examiners	3,529.00	3,611.00
Corporation Commission	425,844.82	403,077.04
State Department of Credit Unions	82,666.65	78,886.95
Department of Health and Environment	931,087.36	1,472,994.57
Highway Patrol	277,241.25	271,957.25
Department of Human Resources	42,017.44	40,799.92
Consumer Credit Commissioner	1,379.62	3,322.40
Department of Revenue	100,766.30	149,589.84
Savings and Loan Department	38,439.80	53,414.08
Secretary of State	3,095.00	3,888.00
Charges for Technical and Skilled Services Other Than Inspectional		
Department of Administration	3,490.65	3,274.20
Grain Inspection Department	178,010.52	187,232.80
Department of Health and Environment	364,665.53	390,761.83
Department of Commerce	0.00	196.80
Department of Revenue	9,860.40	0.00
Department of Social and Rehabilitation Services	25.00	0.00
Charges for Services in Connection with Corporate, Insurance and Other Organizations		
Corporation Commission	258.86	1,592.00
Insurance Department	224,216.22	220,931.38
Secretary of State	781,571.22	751,185.05
Office of the Securities Commissioner	4,952.00	5,558.30

(a) The increase in collections this fiscal year is due to a tax rate increase.

## SCHEDULE "C-I"-Continued

STATE GENERAL FUND  
Comparative Statement of Operating and Non-Operating Revenue  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING REVENUE (Continued)		
AGENCY EARNINGS (Continued)		
Service Charges (Concluded)		
Charges for Clerical Services, Issuance of Certificates and		
Copies in Agency Offices		
Board of Agriculture	739.78	930.05
Attorney General	1,809.35	363.65
Bank Commissioner	1,536.00	1,060.50
Department of Administration	1,318.20	1,857.89
Fire Marshal	7,465.79	7,013.69
Department of Health and Environment	1,254,204.13	1,165,119.49
Department of Transportation	2,579.84	1,365.51
State Historical Society	719.00	805.00
Department of Human Resources	99.00	287.75
Insurance Department	28,052.50	26,791.50
Legislature	29,574.73	26,699.65
Board of Nursing	5,626.60	4,603.10
Board of Pharmacy	314.75	188.60
Board of Tax Appeals	14,953.16	22,901.84
Department of Revenue	94,816.90	93,891.14
Savings and Loan Department	214.50	270.50
Secretary of State	446,703.76	533,967.77
State Treasurer	260,031.82	265,063.45
Care and Hospitalization of Persons		
Larned State Hospital	41,163.89	0.00
Bond Registration Fees and Commissions		
State Treasurer	350,689.63	433,596.90
Other Miscellaneous Service Charges		
Commission on Civil Rights	237.48	60.60
Behavioral Sciences Regulatory Board	7,185.00	5,654.00
Department of Administration	9,563.94	10,156.62
Department of Health and Environment	79,875.03	88,544.20
Historical Society	5,036.88	4,512.74
Department of Human Resources	6.00	0.00
Board of Pharmacy	1,727.00	1,604.00
Secretary of State	120.00	0.00
Department of Social and Rehabilitation Services	19,270.79	13,397.31
Judicial Branch	42,928.90	42,472.50
Total Service Charges	6,383,719.64	7,091,057.81
Licenses, Permits and Registrations		
Occupational Permits, Registrations and Licenses (Business)		
Board of Abstracters' Examiners	2,820.00	3,170.00
Board of Accountancy	35,621.40	34,595.10
Attorney General - K.B.I.	16,298.50	17,985.50
Board of Barber Examiners	14,378.90	14,626.00
Behavioral Sciences Regulatory Board	20,450.20	30,386.60
State Board of Healing Arts	167,913.80	131,422.60
Board of Cosmetology	50,703.77	50,335.57
Dental Board	23,651.20	23,537.80
Board of Mortuary Arts	24,435.12	22,843.20
Department of Health and Environment	35,556.80	51,298.75
Board of Hearing Aide Dispensers Examiners	2,442.50	1,244.90
Insurance Department	220,475.00	128,940.00
Board of Nursing	107,193.15	96,608.35
Board of Optometry Examiners	6,693.80	6,238.20
Board of Pharmacy	35,537.00	52,405.00
Real Estate Commission	120,713.85	124,138.75
Secretary of State	17,668.00	15,600.00
Department of Social and Rehabilitation Services	5,320.33	18,665.81
Board of Technical Professions	47,447.80	49,885.00
Judicial Branch	13,617.00	9,505.00
Board of Veterinary Examiners	15,662.00	14,286.00
To Engage in Business		
Corporation Commission	18,570.00	7,420.00
Board of Cosmetology	15,121.34	15,207.15
Grain Inspection Department	21,989.48	12,767.20
Department of Health and Environment	924,881.74	776,719.51
Kansas Highway Patrol	14,592.00	14,635.50
Insurance Department	1,600,533.00	1,392,944.50
Consumer Credit Commission	82,426.05	79,437.90
Board of Pharmacy	38,552.85	28,421.00
Department of Revenue	837,723.29	905,862.64
Savings and Loan Department	120.00	220.00
Secretary of State	15,480.00	15,630.00
Office of the Securities Commissioner	195,048.00	194,441.70
Kansas Water Office	200.00	200.00

## SCHEDULE "C-1" Continued

STATE GENERAL FUND  
Comparative Statement of Operating and Non-Operating Revenue  
For the Fiscal Years Ending June 30

OPERATING REVENUE (Continued)	1987	1986
AGENCY EARNINGS (Concluded)		
Licenses, Permits and Registrations (Concluded)		
Bingo License Application and Registration Fees		
Department of Revenue	19,075.00	21,425.00
Other Occupational Licenses, Permits and Registrations		
Corporation Commission	20,070.38	17,980.00
Highway Patrol	18,997.00	19,209.50
Other Non-Occupational Licenses, Permits and Registrations		
Department of Revenue	2,659.00	8,472.00
Total Licenses, Permits and Registrations	4,810,621.45	3,988,711.75
Sale of Commodities		
Manufactured Products		
Department of Revenue	102,409.75	14,710.20
State Printed Matter and Publications		
Attorney General	1,445.00	1,995.00
Insurance Department	450.25	292.25
Legislature	1,775.57	522.77
Department of Revenue	234.50	145.50
Savings and Loan Department	35.00	26.32
Secretary of State	552,791.87	516,114.09
Judicial Branch	6,379.42	5,934.55
Salvage, Scrap, Obsolete and Condemned Materials		
Department of Administration	12.92	5.00
Insurance Department	0.00	5.50
Usable Condemned Equipment		
Department of Corrections	177.00	0.00
Sale of Meals and Processed Foods		
Department of Corrections	518.55	92.00
Other Sundry Articles and Commodities		
Adjutant General	104.65	0.00
State Historical Society	223.55	29.50
Kansas Parole Board	50.00	0.00
Kansas Water Office	1,045,628.28	1,152,559.07
Total Sale of Commodities	1,711,742.35	1,692,432.22
Grain Marketing Assessments		
Corn Marketing Assessment		
Board of Agriculture	22,740.00	20,120.00
Grain Sorghum Marketing Assessment		
Board of Agriculture	48,860.00	40,040.00
Soybean Marketing Assessment		
Board of Agriculture	25,820.00	18,280.00
Total Grain Marketing Assessments	97,420.00	78,440.00
TOTAL AGENCY EARNINGS	13,603,503.24	13,160,642.77
REVENUE FROM THE USE OF MONEY AND PROPERTY		
Investment Income		
Interest on State Treasury Deposits	22,765,510.50	35,370,922.55
Interest on State Treasury Investments	8,575,672.78	6,692,083.98
Interest on State Agency Investments	783.61	105,060.03
Interest on Imprest Fund Accounts	610.86	706.01
*Interest on Pooled Money Investment Board Loans to		
State Agencies	3,270,333.38	0.00
Other Interest, Dividends, Premiums and Discounts	10,961.92	70,875.88
Rents and Royalties		
Halls and Rooms in State Buildings	39,807.19	39,956.71
Oil, Gas, Mineral Sand Royalties	928,559.66	632,459.48
Other Rents and Royalties	1,717.18	2,178.77
TOTAL REVENUE FROM THE USE OF MONEY AND PROPERTY	35,593,957.08	42,914,243.41
GIFTS, DONATIONS AND GRANTS		
Federal Grants	8,148.21	14,890.66
All Other Grants, Gifts, Donations and Contributions	10.00	0.00
TOTAL GIFTS, DONATIONS AND GRANTS	8,158.21	14,890.66

* New revenue classification for fiscal year 1987.

## SCHEDULE "C-I"-Continued

STATE GENERAL FUND  
Comparative Statement of Operating and Non-Operating Revenue  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING REVENUE (Concluded)		
OTHER OPERATING REVENUE		
Workers Compensation Division Assessments	200,000.00	200,000.00
District Court Clerks Fees	8,727,043.55	8,730,657.76
Fines, Penalties and Forfeitures - District Courts	7,949,987.55	7,477,697.30
Investment Income on District Court Accounts	342,331.36	365,767.76
Other Fines, Penalties and Forfeitures	283,096.99	225,653.26
Unclaimed Property Receipts	1,330,736.12	1,377,926.11
Other Miscellaneous Revenue	17,445.28	16,719.30
TOTAL OTHER OPERATING REVENUE	18,850,640.85	18,594,421.49
GROSS OPERATING REVENUE	1,828,784,207.99	1,668,993,836.99
NON-OPERATING REVENUE		
RECEIPTS FROM CONVERSION OF ASSETS		
Other Asset Conversions	0.00	500.00
TOTAL RECEIPTS FROM CONVERSION OF ASSETS	0.00	500.00
REIMBURSEMENTS AND REFUNDS		
Recovery of Current Fiscal Year Expenditures	466,470.44	406,388.87
Other Refund of Advances	4,000.00	73,089.40
Other Reimbursements and Refunds	29,352.00	1,019,631.60
TOTAL REIMBURSEMENTS AND REFUNDS	490,822.44	1,499,109.87
TRANSFER OF REVENUE FROM OTHER FUNDS (See Sched. C-III for Details)	(50,891,023.07)	(29,255,138.18)
OTHER NON-REVENUE RECEIPTS		
Recovery of Prior Fiscal Year Expenditures	146,503.79	185,992.90
Other Non-Revenue Receipts	12,067.46	4,220.37
TOTAL OTHER NON-REVENUE RECEIPTS	158,571.25	190,213.27
GROSS NON-OPERATING REVENUE	(50,241,629.38)	(27,565,315.04)
GROSS REVENUE	\$ 1,778,542,578.61	\$ 1,641,428,521.95

## SCHEDULE "C-11"

STATE GENERAL FUND  
Comparative Statement of Operating and Non-Operating Expenditures  
For the Fiscal Years Ending June 30

OPERATING EXPENDITURES	1987	1986
<b>SALARIES AND WAGES</b>		
Classified Employees	\$ 229,707,011.56	\$ 230,071,885.21
Unclassified Employees	194,571,668.51	201,438,103.27
Student Employees:	0.00	15,045,929.41
*Graduate Teaching Assistants (Monthly)	5,013,797.17	0.00
*Student Research Assistants (Monthly)	1,778,503.00	0.00
*Other Students (Monthly)	1,230,237.31	0.00
*Student Employees (Hourly)	6,905,466.02	0.00
Patient Employees	146,274.23	26,001.91
Special Payments:		
Kansas National Guard Service Pay	46,299.11	9,994.00
Legislators' Compensation	1,051,923.21	1,082,456.31
Legislative Allowances	888,074.18	886,738.90
Pensions and Retirement Salaries and Wages:		
Classified Pensions and Retirement Salaries and Wages	1,032.66	1,433.84
Unclassified Pensions and Retirement Salaries and Wages	8,342.16	19,128.77
Other Employee Compensation:		
Work Improvement Suggestion Awards	1,012.34	0.00
Salary Advances	703.65	169.31
State Pension Fund Contributions:		
Public Employees Retirement System Contributions	8,674,149.06	9,530,518.35
Teachers Retirement Contributions KPERS	20,727.88	23,788.55
Educational Institutions Employees Retirement System Contributions	7,879,120.78	7,109,475.88
Educational Institutions Public Employees Retirement System Contributions (Prior Service Credits)	863,162.65	709,752.85
Educational Institutions IIAA-CREF Employees Group Life and Disability Insurance Contributions	721,463.41	768,855.16
Judges Retirement Fund Contributions	755,189.73	711,952.98
Correctional Officers Retirement Contributions	1,095,037.98	1,196,287.79
Police and Firemen's Retirement System Contributions - Highway Patrol	1,627,528.99	1,611,740.56
Police and Firemen's Retirement System Contributions - KBI	263,473.36	238,775.09
Other Employer Payroll Contributions:		
Federal OASDHI Contributions	27,900,251.44	28,864,503.31
Group Health and Hospitalization Insurance	16,924,447.39	17,393,477.21
State Workers' Compensation Contributions	3,067,063.94	3,148,334.60
State Unemployment Compensation Tax	410,272.55	882,366.13
<b>TOTAL SALARIES AND WAGES</b>	<b>511,552,234.27</b>	<b>520,771,669.39</b>
<b>CONTRACTUAL SERVICES</b>		
Communications:		
Postage	1,993,588.22	2,378,607.26
Telephone Service, Local Exchange Only, Paid Directly to a Vendor	1,470,440.61	1,947,073.58
Telephone, Long Distance (Non-KANS-A-N) and Telegram, Paid to a Vendor	51,364.88	78,159.10
Private Line Voice/Data Transmission/Communication Equipment and Services (Commercial Vendors)	690,689.69	425,319.84
Intergovernmental Voice/Data Service, Local, Paid to a State Agency	2,008,665.08	1,800,933.10
Intergovernmental Postage Payments	1,660,435.95	1,570,938.55
Intergovernmental Telephone and Telegraph, Commercial Long Distance - State	315,847.90	191,142.32
Intergovernmental Telephone and Telegraph, (KANS-A-N), State	4,067,463.08	3,549,941.21
Other Communications	72,444.52	102,094.40
Freight and Express:		
Freight	41,895.68	36,435.43
Moving of Agency Offices	18,004.20	22,375.73
Employees' Personal Effects, In-State	32,336.03	41,500.28
Employees' Personal Effects, Out-of-State	12,567.86	12,358.85
Package Delivery Services	188,059.85	201,897.63
Other Freight and Express	6,735.11	7,501.10
Printing, Duplicating and Advertising:		
Printing and Binding (Payments to State Facilities Only)	3,096,706.64	3,170,126.11
Duplicating, Blue-Printing and Reproducing	983,640.04	1,086,594.97
Advertising (Classified and Legal)	411,388.98	313,551.78
Other Vendor Printing and Binding	191,617.88	216,613.76

* New expenditure classification for fiscal year 1987.

## SCHEDULE "C-II"-Continued

STATE GENERAL FUND  
Comparative Statement of Operating and Non-Operating Expenditures  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING EXPENDITURES (Continued)		
CONTRACTUAL SERVICES (Concluded)		
Rental of Property and Equipment:		
Rental of Reprographic Equipment	742,971.37	926,169.52
Rental of Space in Buildings	2,611,596.43	2,657,900.35
Rental of Equipment	258,020.94	280,229.14
Rental of Land	115,498.79	121,428.66
Rental of Computer System Equipment	33,854.61	57,740.17
Rental of Information Processing Equipment	160,346.85	323,058.93
Rental of Computer or Information Processing Software	37,665.60	38,938.76
Intergovernmental Rental of Space in Buildings	5,583,536.82	4,998,414.87
Other Rental	1,211,465.95	133,863.68
Repairing and Servicing:		
Passenger Cars	253,958.61	302,253.30
Other Self-Propelled Equipment	301,382.30	154,028.83
Machinery and Equipment (Except Self-Propelled) and Furniture and Fixtures	1,612,911.18	1,527,423.21
Buildings and Grounds	3,669,945.75	4,396,388.82
Computer Systems Equipment	250,424.87	200,949.62
Information Processing, Microcomputer Systems and Data Communications Equipment	638,062.79	664,223.22
Computer Systems and Information Processing Equipment Software	66,871.71	45,396.11
Repairing and Servicing Not Otherwise Classified	123,500.50	104,246.70
Travel and Subsistence:		
Private Car Mileage	1,553,818.14	1,724,582.68
Hire of Passenger Cars, Airplanes and Buses	287,908.44	435,772.36
State Car Expense	206,955.75	236,402.10
Motor Pool Vehicle Rental Charges	1,164,924.90	1,319,782.74
Subsistence and Meals - IRS Reportable	1,385,142.01	1,316,681.81
Railroad, Airplane and Bus Fares (Including Pullman)	470,191.94	639,232.87
Subsistence (Including Lodging)	1,844,368.32	2,323,382.75
Nonsubsistence Items	426,612.70	526,943.83
Fees-Other Services:		
Recruitment Expenses (Out-of-State Applicants)	187,940.50	236,386.94
Honorariums	130,287.32	130,880.58
Data Processing Services	14,003,083.91	13,951,894.71
Recording Fees, Servicing Fees and Court Costs	18,775.72	17,331.15
Laboratory Fees	256,926.89	204,527.43
Tuition for Employees and Students	73,982.47	114,015.15
Maintenance and Tuition for Rehabilitation Clients	1,206,487.33	1,151,457.62
Other Fees	5,647,222.47	5,143,155.10
Fees-Professional Services:		
Architects and Engineers	1,079,629.83	1,310,761.98
Attorneys and Lawyers	2,713,793.58	2,078,040.11
Physicians and Medical Associations	1,469,745.45	1,398,280.33
Hospitals and Nursing Homes	2,214,016.30	1,382,602.37
Advertising Agencies	687,610.52	411,659.91
Veterinarians	51,039.02	59,094.60
Lecturers, Speakers and Entertainers	91,281.30	87,382.52
Accountants and Auditors	236,787.53	317,691.09
Other Professional Fees	8,609,093.03	6,776,126.89
Public Utility Service (Except Telephone and Telegraph):		
Electricity	17,912,373.44	16,718,168.26
Natural Gas	7,091,989.95	8,399,379.32
Steam	119,163.00	178,036.20
Water	1,148,368.55	1,020,011.34
Sewage Charges	753,744.26	697,139.58
Solid Waste Charges	446,909.52	245,552.09
Other Utilities	661.72	642.52
Other Contractual Services:		
Dues, Memberships and Subscriptions	3,319,232.22	3,327,050.00
Laundry, Dry Cleaning and Towel Service	85,530.64	132,570.64
Ward and Prisoner Incentive Earnings	623,201.65	554,495.35
Recreation and Entertainment	14,501.19	16,201.27
Rewards, Premiums, Bounties and Employee Awards (Non-Cash)	9,962.02	3,634.83
Surety Bond and Insurance Premiums	988,822.49	1,215,275.44
Official Hospitality	164,031.88	173,178.59
Other Contractual Services	3,015,323.85	3,631,933.48
TOTAL CONTRACTUAL SERVICES	116,897,369.92	113,693,136.42
COMMODITIES		
Clothing	1,236,666.71	1,325,134.77
Feed and Forage	100,988.05	303,105.76
Food for Human Consumption	6,758,184.33	6,411,065.18

SCHEDULE "C-11"--Continued

STATE GENERAL FUND  
Comparative Statement of Operating and Non-Operating Expenditures  
For the Fiscal Years Ending June 30

OPERATING EXPENDITURES (Continued)	1987	1986
COMMODITIES (Concluded)		
Fuel (Other than for Motor Vehicle):		
Coal and Coke	0.00	4.75
Fuel, Oil, Diesel and Kerosene	662,062.34	33,738.56
Liquid Propane Gas and Butane	18,414.22	69,706.90
Other Fuel	56.10	298.60
Maintenance and Construction Materials, Supplies and Parts:		
Materials and Supplies for Buildings	2,311,165.31	2,481,728.37
Highway and Bridge Materials and Supplies	2,910.93	30,165.99
Computer System Parts Replacement and Repair	58,917.74	53,174.86
Other Equipment Parts, Material and Supplies	1,059,604.34	1,237,657.06
Motor Vehicle Parts, Supplies and Accessories:		
Gasoline	643,785.93	973,184.11
Diesel Fuel	24,994.12	21,292.36
Gasohol	833.99	801.26
Liquefied Petroleum, Butane, Natural Gas	127.45	797.73
Aircraft Fuel	104,809.83	149,357.76
Motor Oil	23,511.19	32,731.87
Other Parts, Supplies and Accessories	446,767.10	393,362.34
Professional and Scientific Supplies and Materials:		
Drugs and Pharmaceuticals		
Animal Drugs	1,317,739.18	1,239,996.86
Other Professional Scientific Supplies and Materials	42,637.70	59,120.42
Stationery, Office and Data Processing Supplies:	2,846,250.50	2,961,531.83
Stationery and Office Supplies	3,129,736.15	3,404,792.08
Data Processing Supplies	703,431.97	676,782.31
Telecommunications Termination Equipment	18,319.14	99,889.82
Research Supplies and Materials	30,427.09	29,229.09
Other Supplies, Materials and Parts:		
Agricultural Supplies (Other than Feed and Forage), Materials and Parts	268,344.70	312,594.22
Household, Laundry and Kitchen Supplies and Materials	2,220,891.20	2,246,083.51
Power Plant Supplies	243,575.36	280,777.96
Recreation Supplies and Materials	163,031.90	176,915.07
Small Tools	149,679.18	164,395.16
Supplies Used in Manufacturing and Printing (For Resale)	65,325.62	0.00
Commodities Purchased for Resale to Using Departments	15,556.01	(17,063.00)
Other Supplies, Materials and Parts	224,049.54	263,257.14
TOTAL COMMODITIES	24,892,794.92	25,419,610.50
CAPITAL OUTLAY		
Equipment, Machinery, Furniture and Fixtures:		
Agricultural Equipment and Machinery	85,530.66	172,085.92
Household, Laundry and Kitchen Equipment and Furniture	429,585.33	474,567.51
Office Furniture, Fixtures and Equipment	1,077,748.35	1,475,884.67
Professional and Scientific Equipment	2,267,136.75	3,039,052.45
Passenger Cars	1,118,151.27	1,696,878.78
Trucks and Other Self-Propelled Equipment	481,043.25	358,340.09
Shop and Plant Maintenance Equipment	219,920.67	304,401.29
Other Equipment, Machinery, Furniture and Fixtures	171,342.71	270,892.79
Livestock	40,339.33	119,555.36
Books and Library Materials	2,469,826.67	1,998,112.42
Reprographic Equipment	177,291.26	226,035.41
Computer Systems Equipment and Software:		
Microcomputer Systems and Support Equipment	1,905,635.41	1,582,906.82
Computer Systems Equipment	834,178.85	1,206,048.32
Information Processing Equipment	797,289.35	764,630.57
Information Processing or Microcomputer Systems Software	434,271.73	401,557.27
Buildings and Improvements	6,857,240.51	8,025,479.65
Land and Interest in Land:		
Assessments for Improvements	104.80	16,658.75
Land Nonstructural Improvements	359,595.62	375,607.42
Telecommunications/Data Facilities Equipment (State-Owned):		
Telecommunications Termination Equipment	206,234.87	105,818.80
Telecommunications Switching Equipment	44,511.05	113,785.25
Telecommunications Transmission Equipment	10,183.01	37,347.49
Radio (Portable) Equipment	40,942.16	130,911.47
Radio (Fixed) Equipment	192.47	33,620.95
Data Communications Equipment	16,553.95	10,457.55
Equipment Purchases for Non-State Use:		
Equipment Purchases for Rehabilitation Clients	97,243.89	80,929.60
Other Capital Outlays:		
Other Books and Library Material	47,473.44	18,361.65
Other Fixed and Moveable Property	177,538.69	85,044.82
TOTAL CAPITAL OUTLAY	20,367,106.05	23,120,973.07

## SCHEDULE "C-II"--Concluded

STATE GENERAL FUND  
Comparative Statement of Operating and Non-Operating Expenditures  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING EXPENDITURES (Concluded)		
GRANTS, CLAIMS AND SHARED REVENUE		
State Aid Payments:		
State Aid to Counties, Cities, Districts, Public Schools and Other Local Units -----	642,518,600.37	640,177,488.85
School District Employees Retirement Contributions -----	32,607,232.28	41,455,730.60
State Aid to Qualified Non-State Organizations -----	9,009,674.87	8,490,092.61
State Aid to Other State Agencies -----	167,556.71	113,059.45
Claims:		
Death Claims -----	4,518.96	4,518.96
Personal Injury Claims -----	1,013.30	96,932.15
Property Damage or Loss Claims -----	11,110.15	9,547.88
Workmen's Compensation Claims -----	9,000.00	0.00
Civil Rights Conciliation Claims -----	5,212.25	8,246.25
Prompt Payment Act Interest Penalties -----	67.08	73.70
Other Claims -----	1,059,425.00	657,474.39
State Special Grants:		
Direct State Welfare Assistance -----	199,805,847.42	190,932,840.05
Hospital Residencies and Internships -----	1,274,027.42	1,487,177.90
Tuition Grants -----	3,634,569.00	3,622,804.00
Homestead Property Tax Relief -----	6,393,496.04	8,017,424.02
Other State Special Grants -----	2,000.00	2,000.00
Scholarship Grants:		
Scholarships, Fellowships and Grants to Students (Taxable) -----	22,001.18	6,850.00
Scholarships, Fellowships and Grants to Students (Non-Taxable) -----	1,303,431.37	3,009,299.50
Off-Campus Work Study -----	377,619.65	368,470.41
Other Grants, Claims and Shared Revenue:		
Losses From Monetary Transactions -----	156.90	406.31
Agricultural Conservation Program Payments -----	1,332,341.78	1,537,407.55
Other Grants, Claims and Shared Revenue -----	2,500.00	1,000.00
TOTAL GRANTS, CLAIMS AND SHARED REVENUE -----	899,541,401.73	899,998,844.58
GROSS OPERATING EXPENDITURES -----	1,573,250,905.99	1,583,000,233.96
NON-OPERATING EXPENDITURES		
NON-EXPENSE ITEMS		
Demand Transfer of Revenue (See Schedule C-III for Details) -----	155,844,178.51	153,308,113.48
Advances:		
Advances for Petty Cash Funds -----	500.00	924.26
Advances for Imprest Funds -----	12,200.00	0.00
Advances for Independent Parcel Delivery Service -----	250.00	617.07
Temporary Imprest Fund Advance for Payroll -----	0.00	1,000.00
Total Advances -----	12,950.00	2,541.33
Transfers by Disbursement (See Schedule C-III for Details) -----	1,100,845.92	825,136.09
Student Loans:		
Rural Medical Forgivable Loans -----	400,000.00	445,147.00
TOTAL NON-EXPENSE ITEMS -----	157,357,974.43	154,580,937.90
GROSS NON-OPERATING EXPENDITURES -----	157,357,974.43	154,580,937.90
GROSS EXPENDITURES -----	\$ 1,730,608,880.42	\$ 1,737,581,171.86

STATE GENERAL FUND  
Analysis of Transfers  
July 1, 1996 to June 30, 1997

SCHEDULE "C-III"

REVENUE TRANSFERS TO STATE GENERAL FUND FROM:

State Correctional Institutions Building Fund -----	\$ 2,000,000.00
Department of Administration -	
Cancelled Warrants Payment Fund -----	297,327.88
Self Insurance Reserve Fund -----	270,250.00
Suspense Fund -----	309.94
Department of Health and Environment -	
Power Generating Facility Fee Fund -----	18,050.00
Food Service Inspection Reimbursement Fund -----	90,221.12
Debt Service Reserve Fund -----	17,005.43
Department of Transportation -	
State Highway Fund -----	138,000.00
Board of State Fair Managers -	
State Fair Special Cash Fund -----	100,000.00
Office of the Securities Commissioner of Kansas -	
Securities Act Fee Fund -----	279,768.89
Kansas Water Office	
State Conservation Storage Water Supply Fund -----	95,416.00
	\$ 3,306,349.26

Less: Transfers from State General Fund to:

State Correctional Institutions Building Fund -----	2,000,000.00
Attorney General -	
Tort Claims Fund -----	440,174.02
Corporation Commission -	
Energy Grants Management Fund -----	1,954,663.03
Department of Administration -	
Property Contingency Fund -----	46,939.57
Certificates of Participation - Clearing Fund -----	86,485.32
1985 Certificates of Participation - Lease Payment Fund -----	26,847.63
1986 Certificates of Participation - Lease Payment Fund -----	64,222.32
1986 Certificates of Participation - Capitalized Interest Fund -	945.97
Fish and Game Commission -	
Cheyenne Bottoms Project Fund -----	25,000.00
Fort Hays State University -	
Housing System Suspense Fund -----	841.56
Sheridan Coliseum Gift Fund -----	10,848.70
Health Professions Student Loan Fund -----	888.23
National Direct Student Loan Fund -----	13,991.35
Department of Health and Environment -	
Hazardous Waste Cleanup Fund -----	425,000.00
Special Bequest Fund -----	26,098.45
Department of Transportation -	
State Highway Fund -----	27,847,126.32
State Freeway Fund -----	4,148,938.40
Special City & County Highway Fund -----	10,288,512.07
Insurance Department -	
Workers' Compensation Fund -----	4,000,000.00
Health Care Stabilization Fund -----	2,373.56
State Firefighters Relief Fund -----	6,650.48
Kansas State University -	
Student Coliseum Bond Fee Fund -----	254,142.30
Housing System Suspense Fund -----	118,871.79
National Direct Student Loan Fund -----	24,121.95
Kansas State University - Veterinary Medical Center	
Health Professions Student Loan Fund -----	3,206.92
Board of State Fair Managers -	
State Fair Special Cash Fund -----	100,000.00
Emporia State University -	
Housing System Suspense Fund -----	18,343.47
National Direct Student Loan Fund -----	28,563.94
Pittsburg State University -	
Housing System Suspense Fund -----	37,849.80
Nursing Student Loan Fund -----	1,208.52
National Direct Student Loan Fund -----	13,285.66
Lottery Commission -	
Lottery Operating Fund -----	599,077.00

STATE GENERAL FUND  
Analysis of Transfers  
July 1, 1986 to June 30, 1987

SCHEDULE "C-III" - Concluded

Less: Transfers from State General Fund to: (Continued)

Department of Corrections -	
Ellsworth Correctional Work Facility-Princ./Int. Pmt -----	415,262.68
Ellsworth Correctional Work Facility-Project Fund -----	21,263.38
Racing Commission -	
State Racing Fund -----	101,402.00
Board of Regents -	
National Direct Student Loan Audit Dispute Fund -----	102,139.00
Kansas Soldiers Home -	
Benefit and Gift Fund -----	1,736.23
University of Kansas -	
US Army Neurotoxin Research Program Grant Fund -----	67,732.74
Housing System Operations Fund -----	198,338.21
Housing System Suspense Fund -----	200,588.85
National Direct Student Loan Fund -----	37,487.83
Health Professions Student Loan Fund -----	4,396.60
University of Kansas - Kansas City Campus	
National Direct Student Loan Fund -----	7,558.90
Health Professions Student Loan Fund-Medical -----	10,466.48
Health Professions Student Loan Fund-Nursing -----	1,979.68
Animal Research Facility Debt Service Fund -----	139,558.50
Mandatory Retirement Annuity Clearing Fund -----	1,067.78
Kansas Water Office -	
State Conservation Storage Water Supply Fund -----	217,355.74
Wichita State University -	
Housing System Suspense Fund -----	555.13
National Direct Student Loan Fund -----	52,690.48
Health Professions Student Loan Fund -----	575.79

\$ 54,197,372.33

STATE GENERAL FUND TRANSFERS (SCHEDULE "C-I") ----- \$ (50,891,023.07)

DEMAND TRANSFERS OF REVENUE - FROM STATE GENERAL FUND TO:

State Treasurer - Local Ad Valorem Tax Reduction Fund -----	26,936,612.73
Department of Revenue - School District Income Tax Fund -----	107,783,470.95
State Treasurer - County and City Revenue Sharing Fund -----	19,549,599.03
Department of Revenue - Solar Energy Property Tax Refund Fund -----	2,451.55
Department of Revenue - County Inheritance Tax Fund -----	1,572,044.25

DEMAND TRANSFERS OF REVENUE (Schedule "C-II") ----- \$ 155,844,178.51

EXPENDITURE TRANSFERS FROM STATE GENERAL FUND TO:

Kansas Public Employees Retirement System -		
Kansas Public Employees Retirement Fund -----	19,235.00	(d)
Kansas State University -		
Restricted Fees -----	50,000.00	(b)
Research Projects Grants Fund -----	232,470.69	(c)
Pittsburg State University -		
Research Projects Grants Fund -----	83,314.75	(c)
University of Kansas -		
Restricted Fees -----	278,086.00	(a)
Restricted Fees -----	50,000.00	(b)
Research Projects Grants Fund -----	173,246.25	(c)
University of Kansas - Kansas City Campus		
Animal Research Facility Debt Service Fund -----	33,186.26	
Wichita State University -		
Restricted Fees -----	20,000.00	
Restricted Fees -----	25,000.00	(b)
Research Projects Grants Fund -----	136,306.97	(c)

STATE GENERAL FUND EXPENDITURE TRANSFERS (Schedule "C-II") ----- \$ 1,100,845.92

- (a) Represents the transfer of funds to the University Press of the University of Kansas as provided for by K.S.A. 76-393.
- (b) Represents the transfer from the Board of Regents Distinguished Professors appropriation account to various institutions as provided by Section 10(a), Senate Bill 537, Session Laws of 1986.
- (c) Represents the transfers from the Kansas Technology Enterprise Corporation Kansas Advanced Technology Commission appropriation to various institutions as provided for by Section 2(a), Senate Bill 759, Session Laws of 1986.
- (d) Represents the transfer from the Legislature to the Kansas Public Employees Retirement Fund for benefits paid to certain employees of Legislative agencies during fiscal year 1986 as provided for by K.S.A. 46-1302.



## SECTION III

# SPECIAL REVENUE FUNDS

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Comparative Combined Statement of Revenue and Expenditures— Exhibit "C" .....	37

## **Special Revenue Funds**

This group or class includes a number of funds representing many separate activities of the state government created by law for specific purposes, usually on a self-supporting basis. Earmarked funds are received from taxes, agency earnings, revenues from the use of money and property, federal grants and other miscellaneous sources. The expenditures are controlled by appropriations, special grants of authority contained in standing laws, or federal laws where federal grants are involved.

## EXHIBIT "A"

SPECIAL REVENUE FUNDS  
Comparative Combined Balance Sheet  
June 30

	1987	1986
<u>RECOGNIZED ASSETS</u>		
Equity in State Treasurer's Common Cash Fund -----	\$ 173,629,830.25	\$ 163,570,237.63
Cash in Agencies' Imprest Funds -----	369,547.00	338,745.00
Investments - Cost Basis (See Section XII, Note 14) -----	718,250.29	528,568.67
Amount to be Provided for Loan Redemption -----	0.00 (a)	7,842,652.00
Amount to be Provided for Certificates of Participation -----	0.00 (a)	1,654,429.00
<u>TOTAL RECOGNIZED ASSETS</u> -----	\$ 174,717,627.54	\$ 173,934,632.30
<u>LIABILITIES, OTHER OBLIGATIONS AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Unredeemed Warrants -----	\$ 28,177,761.23	\$ 26,243,207.73
Loan Payable -----	0.00 (a)	7,842,652.00
Certificates of Participation Payable -----	0.00 (a)	1,654,429.00
<u>Total Liabilities</u> -----	28,177,761.23	35,740,288.73
<u>OTHER OBLIGATIONS</u>		
<u>Total Unliquidated Encumbrances</u> -----	32,007,917.93	37,711,861.04
<u>FUND BALANCES</u>		
Unencumbered Cash Balances of Agency Funds -----	113,444,151.09	99,615,168.86
Agencies' Imprest Funds -----	369,547.00	338,745.00
Invested Balances - Cost Basis (See Section XII, Note 14) -----	718,250.29	528,568.67
<u>Total Fund Balances</u> -----	114,531,948.38	100,482,482.53
<u>TOTAL LIABILITIES, OTHER OBLIGATIONS AND FUND BALANCES</u> -----	\$ 174,717,627.54	\$ 173,934,632.30

(a) This is a classification change to the Long Term Obligations Account Group. See Section XI.

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## EXHIBIT "B"

SPECIAL REVENUE FUNDS  
Analysis of Changes in Unencumbered Cash Balance  
July 1, 1986 to June 30, 1987

## AMOUNTS AVAILABLE FOR EXPENDITURE:

Unencumbered Cash Balance at July 1, 1986 -----	\$ 99,615,168.86	
Encumbrances Outstanding at July 1, 1986 -----	<u>37,711,861.04</u>	
Subtotal -----	137,327,029.90	
Revenue Fiscal Year 1987 -----	<u>1,079,393,463.04</u>	
TOTAL AVAILABLE -----		\$ 1,216,720,492.94

## AMOUNTS EXPENDED AND ENCUMBERED:

Expenditures Fiscal Year 1987 -----	1,071,268,423.92	
Encumbrances Outstanding at June 30, 1987		
Firm Obligations -----	12,947,688.27	
Contingent Obligations -----	<u>19,060,229.66</u>	
TOTAL EXPENDED AND ENCUMBERED -----		<u>1,103,276,341.85</u>
UNENCUMBERED CASH BALANCE AT JUNE 30, 1987* -----		\$ 113,444,151.09

* This balance does not include Agencies' Imprest Funds held in local bank accounts, nor investments on a cost basis. The amounts for these items are shown in Exhibit "A".

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## EXHIBIT "C"

SPECIAL REVENUE FUNDS  
Comparative Combined Statement of Revenue and Expenditures  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING REVENUE		
Taxes -----	\$ 3,011,950.96	\$ 3,469,339.30
Agency Earnings -----	277,043,182.27	261,540,562.39
Revenue from the Use of Money and Property -----	4,750,841.40	4,320,836.10
Gifts, Donations and Grants -----	610,785,100.59	596,486,908.17
Other Operating Revenue -----	3,734,959.39	3,402,333.92
GROSS OPERATING REVENUE -----	899,326,034.61	869,219,979.88
OPERATING EXPENDITURES		
Salaries and Wages -----	361,430,872.05	314,976,040.29
Contractual Services -----	120,220,487.26	112,167,098.21
Commodities -----	49,738,394.18	46,602,009.19
Capital Outlay -----	27,893,881.01	29,303,118.05
Grants, Claims, Shared Revenue and Debt Service -----	449,855,257.31	478,468,371.99
GROSS OPERATING EXPENDITURES -----	1,009,138,891.81	981,516,637.73
Excess of Operating Expenditures Over Operating Revenue -----	109,812,857.20	112,296,657.85
GROSS NON-OPERATING REVENUE -----	180,067,428.43	157,162,772.95
GROSS NON-OPERATING EXPENDITURES -----	62,129,532.11	29,117,384.70
Excess of Non-Operating Revenue Over Non-Operating Expenditures -----	117,937,896.32	128,045,388.25
EXCESS OF REVENUE OVER EXPENDITURES -----	\$ 8,125,039.12	\$ 15,748,730.40

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.





# SECTION IV

## HIGHWAY FUNDS

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## **Highway Funds**

Revenues received by funds in this class are restricted by laws to financing the activities of the Department of Transportation, in constructing, reconstructing and maintaining a state system of highways. They also include some funds that are distributed to local political subdivisions for use on roads and streets.

## EXHIBIT "A"

HIGHWAY FUNDS  
Comparative Combined Balance Sheet  
June 30

	1987	1986
<u>RECOGNIZED ASSETS</u>		
Equity in State Treasurer's Common Cash Fund -----	\$ 108,292,809.27	\$ 129,749,456.39
Cash in Agency Imprest Fund -----	2,000.00	2,000.00
Cash with Banks for Purchase of Investments (Section XII, Note 14) -----	7,807,709.38	5,943.02
Investments - Cost Basis (See Section XII, Note 14) -----	105,455,939.44	124,038,336.45
Amount to be Provided for Revenue Bond Redemption -----	0.00	151,545,000.00
<u>TOTAL RECOGNIZED ASSETS</u> -----	\$ 221,558,458.09 (a)	\$ 405,340,735.86
<u>LIABILITIES, OTHER OBLIGATIONS AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Unredeemed Warrants -----	\$ 25,742,724.11	\$ 30,940,918.85
Revenue Bonds Payable -----	0.00	151,545,000.00
<u>Total Liabilities</u> -----	25,742,724.11	182,485,918.85
<u>OTHER OBLIGATIONS</u>		
Unliquidated Encumbrances -----	305,959,993.92	309,366,912.63
<u>FUND BALANCES</u>		
Unencumbered Cash Balances of Agency Funds -----	(223,409,908.76) (b)	(210,558,375.09) (b)
Agency Imprest Funds -----	2,000.00	2,000.00
Cash in Banks for Purchase of Investments (Section XII, Note 14) -----	7,807,709.38	5,943.02
Invested Balances - Cost Basis (See Section XII, Note 14) -----	105,455,939.44	124,038,336.45
<u>Total Fund Balances</u> -----	(110,144,259.94)	(86,512,095.62)
<u>TOTAL LIABILITIES, OTHER OBLIGATIONS AND FUND BALANCES</u> -----	\$ 221,558,458.09 (c)	\$ 405,340,735.86 (c)

(a) This is a classification change to the Long Term Obligations Account Group. See Section XI.

(b) Under the Highway Construction Program, a number of contracts have been let by the Department of Transportation based on anticipated revenue primarily in the form of matching federal highway construction funds to be received from the Bureau of Public Roads. This revenue is expected to be received by the State in time to meet the cash requirements as obligations become due.

(c) The Secretary of Transportation is authorized by statute to contract with the Kansas Turnpike Authority to pay from the State Highway Fund such amounts as shall be required to make up any deficiency in the revenues received from the operation and ownership of a turnpike project.

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

HIGHWAY FUNDS  
Analysis of Change in Unencumbered Cash Balance  
July 1, 1986 to June 30, 1987

EXHIBIT "B"

AMOUNTS AVAILABLE FOR EXPENDITURE:

Unencumbered Cash Balance at July 1, 1986 -----	\$ (210,558,375.09)	
Encumbrances Outstanding at July 1, 1986 -----	<u>309,366,912.63</u>	
Subtotal -----	<u>98,808,537.54</u>	
Revenue Fiscal Year 1987 -----	<u>469,847,949.92</u>	
TOTAL AVAILABLE -----		568,656,487.46

AMOUNTS EXPENDED AND ENCUMBERED:

Expenditures Fiscal Year 1987 -----	486,106,402.30	
Encumbrances Outstanding at June 30, 1987		
Firm Obligations -----	12,276,800.93	
Contingent Obligations -----	<u>293,683,192.99</u>	
TOTAL EXPENDED AND ENCUMBERED -----		<u>792,066,396.22</u>
UNENCUMBERED CASH BALANCE AT JUNE 30, 1987 -----		\$ (223,409,908.76) (a)

(a) Under the Highway Construction Program, a number of contracts have been let by the Department of Transportation based on anticipated revenue primarily in the form of matching federal highway construction funds to be received from the Bureau of Public Roads. This revenue is expected to be received by the State in time to meet the cash requirements as obligations become due.

This balance does not include Investments, Cash with banks for the Purchase of Investments, nor the Agency Imprest Fund. The amounts for these items are shown in Exhibit "A".

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## EXHIBIT "C"

HIGHWAY FUNDS  
Comparative Combined Statement of Revenue and Expenditures  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING REVENUE		
Taxes -----	\$ 225,572,394.00	\$ 221,749,057.91
Agency Earnings -----	5,169,624.15	3,798,050.38
Revenue from the Use of Money and Property -----	10,097,817.52	14,373,895.91
Gifts, Donations and Grants -----	200,511,828.11	204,427,501.66
Other Operating Revenue -----	11,354.02	7,335.47
GROSS OPERATING REVENUE -----	441,363,017.80	444,395,841.33
OPERATING EXPENDITURES		
Salaries and Wages -----	78,276,424.05	76,129,094.81
Contractual Services -----	27,524,798.76	21,530,770.00
Commodities -----	19,351,280.54	22,760,492.54
Capital Outlay -----	279,649,744.12	302,481,493.59
Grants, Claims, Shared Revenue and Debt Service -----	91,497,197.24	69,034,195.53
GROSS OPERATING EXPENDITURES -----	496,299,444.71	491,936,046.47
Excess of Operating Expenditures Over Operating Revenue -----	54,936,426.91	47,580,205.14
GROSS NON-OPERATING REVENUE -----	28,484,932.12	31,286,269.68
GROSS NON-OPERATING EXPENDITURES -----	(10,193,042.41)	9,522,463.65
Excess of Non-Operating Revenue Over Non-Operating Expenditures -----	38,677,974.53	21,763,806.03
EXCESS OF EXPENDITURES OVER REVENUE -----	\$ 16,258,452.38	\$ 25,816,399.11

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.





# SECTION V

## CAPITAL PROJECTS FUNDS

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## **Capital Projects Funds**

This class includes funds where the resources come from the sale of bonds and ad valorem tax levies dedicated to the Kansas Educational Building Fund, the State Institutions Building Fund and the Correctional Institutions Building Fund. These funds are used in the construction and equipping of educational classrooms, treatment and correctional institutional facilities. Included in this class are funds established in conjunction with the issuance of such bonds as debt service and facilities and maintenance reserve funds. Funds not included in this class are monies derived from the sale of bonds for highway construction and enterprise facilities and monies raised through special assessments.

## EXHIBIT "A"

**CAPITAL PROJECTS FUNDS**  
**Comparative Combined Balance Sheet**  
**June 30**

	Detail of 1987						
	Kansas Educational Building Fund	State Institutions Building Fund	Correctional Institutions Building Fund	Other Capital Projects Funds	1987	1986	
<b>RECOGNIZED ASSETS</b>							
Equity in State Treasurer's Common Cash Fund -----	\$10,903,746.26	\$3,528,583.70	\$ 612,310.96	\$ 9,723,897.86	\$ 26,768,538.78	\$ 21,023,989.75	
Investments - Cost Basis (See Section XII, Note 14) -----	0.00	0.00	0.00	15,160,269.99	15,160,269.99	25,784,188.91	
Uninvested Cash-Fish and Game Commission -- Ad Valorem Taxes Due from County Treasurers -----	0.00	0.00	0.00	354,662.07	354,662.07	130,043.87	
Amount to be Provided for Revenue Bond Redemption -----	4,883,833.81	1,229,463.16	1,241,961.88	0.00	7,355,258.85	7,369,034.97	
Amount to be Provided for Bond Defeasance Redemption -----	0.00	0.00	0.00	0.00	0.00	(a) 27,485,000.00	
Amount to be Provided for Certificates of Participation Redemption -----	0.00	0.00	0.00	0.00	0.00	(b) 5,120,000.00	
	0.00	0.00	0.00	0.00	0.00	(a) 28,490,000.00	
<b>TOTAL RECOGNIZED ASSETS</b> -----	<b>\$15,787,580.07</b>	<b>\$6,758,046.86</b>	<b>\$1,854,272.84</b>	<b>\$25,238,829.92</b>	<b>\$ 49,638,729.69</b>	<b>\$115,402,257.50</b>	
<b>LIABILITIES, OTHER OBLIGATIONS AND BALANCES</b>							
<b>LIABILITIES</b>							
Unredeemed Warrants -----	\$ 520,623.35	\$ 440,979.33	\$ 93,569.00	\$ 332,444.19	\$ 1,387,615.87	\$ 2,030,007.61	
Revenue Bonds Payable -----	0.00	0.00	0.00	0.00	0.00	(a) 27,485,000.00	
Deceased Bond Debt Payable -----	0.00	0.00	0.00	0.00	0.00	(b) 5,120,000.00	
Certificates of Participation Payable -----	0.00	0.00	0.00	0.00	0.00	(a) 28,490,000.00	
<b>Total Liabilities</b> -----	<b>520,623.35</b>	<b>440,979.33</b>	<b>93,569.00</b>	<b>332,444.19</b>	<b>1,387,615.87</b>	<b>63,125,007.61</b>	
<b>OTHER OBLIGATIONS</b>							
Total Unliquidated Encumbrances -----	3,438,499.26	1,070,137.63	281,060.00	2,600,064.95	7,389,761.84	7,442,708.04	
Unencumbered Balance of Appropriations Reappropriated -----	2,096,358.42	2,735,123.18	1,298.09	0.00	4,832,779.69	9,318,766.51	
<b>Total Other Obligations</b> -----	<b>5,534,857.68</b>	<b>3,805,260.81</b>	<b>282,358.09</b>	<b>2,600,064.95</b>	<b>12,222,541.53</b>	<b>12,761,474.55</b>	
<b>FUND AND AVAILABLE BALANCES</b>							
Unencumbered Cash Balance Available to Finance Appropriations -----	4,848,265.23	1,282,343.56	236,393.87	0.00	6,366,992.66	9,679,209.23	
Unencumbered Cash Balance of Agency Funds - Invested Balances - Cost Basis (See Section XII, Note 14) -----	0.00	0.00	0.00	6,791,388.72	6,791,388.72	553,298.36	
Uninvested Cash-Fish and Game Commission -- Taxes Due from County Treasurers (Deferred Revenue) -----	0.00	0.00	0.00	15,160,269.99	15,160,269.99	25,784,188.91	
	0.00	0.00	0.00	354,662.07	354,662.07	130,043.87	
<b>Total Fund and Available Balances</b> -----	<b>9,732,099.04</b>	<b>2,511,806.72</b>	<b>1,478,345.75</b>	<b>22,306,320.78</b>	<b>36,028,572.29</b>	<b>39,515,775.34</b>	
<b>TOTAL LIABILITIES, OTHER OBLIGATIONS AND AVAILABLE BALANCES</b> -----	<b>\$15,787,580.07</b>	<b>\$6,758,046.86</b>	<b>\$1,854,272.84</b>	<b>\$25,238,829.92</b>	<b>\$ 49,638,729.69</b>	<b>\$115,402,257.50</b>	

(a) This is a classification change to the Long Term Obligations Account Group. See Section XI.

(b) The deceased bonds are no longer being reported in the balance sheet. See Section XII, note 26.

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

CAPITAL PROJECTS FUND  
Comparison of Resources Available for Appropriation  
For the Fiscal Years Ending June 30

SCHEDULE "A-1"

Kansas Educational Building Fund

	1987	1986
Unencumbered Cash Balance for Appropriations at Beginning of Year -----	\$ 3,873,648.12	\$ 1,912,006.57
Add Prior Years' Appropriations Reappropriated -----	2,925,490.67	2,696,869.56
Add Difference Between Prior Years' Encumbrances and Expenditures Charged to Those Encumbrances -----	54,727.18	18,413.90
Adjusted Unencumbered Cash Balance at Beginning of Year -----	6,853,865.97	4,627,290.03
Difference Between Current Year Revenue and Current Year Charges:		
Current Year Revenue -----	12,989,753.52	12,826,070.91
Current Year Charges:		
Expenditures -----	12,886,813.44	9,788,321.35
Less Expenditures Charged to Prior Years' Encumbrances -----	3,184,814.21	2,434,427.40
Expenditures Chargeable to Current Year's Appropriations -----	9,701,999.23	7,353,893.95
Add Unliquidated Encumbrances Chargeable to Current Year's Appropriations -----	3,196,996.61	3,300,328.20
Current Year Charges Against Current Year Appropriations -----	12,898,995.84	10,654,222.15
Add Excess of Current Year Revenue Over Current Year Charges -----	90,757.68	2,171,848.76
Less Excess of Current Year Charges Over Current Year Revenue -----		
Unencumbered Cash Balance, June 30 -----	6,944,623.65	6,799,138.79
Less Unencumbered Appropriations:		
Fiscal Year Appropriations -----	14,405,000.00	11,584,075.00
Reappropriations of Unencumbered Balance of Preceding Fiscal Year's Legislative Reappropriations -----	2,925,490.67	2,696,869.56
Add Adjustments to Preceding Fiscal Year's Reappropriations -----	0.00	3,231.41
Total Appropriations and Reappropriations (Adjusted) -----	17,330,490.67	14,284,175.97
Add Difference Between Prior Years' Encumbrances and Expenditures Charged to Those Encumbrances -----	54,727.18	18,413.90
Total -----	17,385,217.85	14,302,589.87
Less Charges Against Current Appropriations -----	12,898,995.84	10,654,222.15
Unencumbered Balance of Appropriations -----	4,486,222.01	3,648,367.72
Less Appropriations Lapsed By Legislative Session -----	2,389,863.59	722,877.05
Unencumbered Balance of Appropriations Reappropriated -----	2,096,358.42	2,925,490.67
Unencumbered Cash Balance Available to Finance Succeeding Fiscal Year Appropriations -----	\$ 4,848,265.23	\$ 3,873,648.12

The Notes to the Financial Statements, Section III, are an integral part of the financial statements.

State Institutions Building Fund

Correctional Institutions Building Fund

<u>1987</u>		<u>1986</u>		<u>1987</u>		<u>1986</u>	
\$	1,805,148.74	\$	1,280,065.57	\$	412.37	\$	39,385.53
	2,354,275.84		3,461,699.06		39,000.00		0.00
	<u>24,247.72</u>		<u>12,709.29</u>		<u>0.00</u>		<u>0.00</u>
	4,183,672.30		4,754,473.92		39,412.37		39,385.53
	<u>1,255,366.26</u>		<u>6,405,187.65</u>		<u>2,235,971.50</u>		<u>26.84</u>
	5,728,692.09		7,230,066.89		1,756,641.91		0.00
	<u>2,265,432.45</u>		<u>2,583,855.38</u>		<u>0.00</u>		<u>0.00</u>
	3,463,259.64		4,646,211.51		1,756,641.91		0.00
	<u>958,312.18</u>		<u>2,354,225.48</u>		<u>281,060.00</u>		<u>0.00</u>
	4,421,571.82		7,000,236.99		2,037,701.91		0.00
	<u>166,205.56</u>		<u>595,049.34</u>		<u>198,269.59</u>		<u>26.84</u>
	4,017,466.74		4,159,424.58		237,681.96		39,412.37
	4,930,239.00		6,595,575.59		2,000,000.00		39,000.00
	2,354,275.84		3,461,699.06		39,000.00		0.00
	<u>35,237.00</u>		<u>0.00</u>		<u>0.00</u>		<u>0.00</u>
	7,319,751.84		10,057,274.65		2,039,000.00		39,000.00
	<u>24,247.72</u>		<u>12,709.29</u>		<u>0.00</u>		<u>0.00</u>
	7,343,999.56		10,069,983.94		2,039,000.00		39,000.00
	<u>4,421,571.82</u>		<u>7,000,236.99</u>		<u>2,037,701.91</u>		<u>0.00</u>
	2,922,427.74		3,069,746.95		1,298.09		39,000.00
	<u>187,304.56</u>		<u>715,471.11</u>		<u>0.00</u>		<u>0.00</u>
	<u>2,735,123.18</u>		<u>2,354,275.84</u>		<u>1,298.09</u>		<u>39,000.00</u>
\$	1,282,143.56	\$	1,805,148.74	\$	236,383.87	\$	412.37

## EXHIBIT "B"

CAPITAL PROJECTS FUNDS  
Analysis of Changes in Unencumbered Cash Balance  
July 1, 1986 to June 30, 1987

	Detail of 1987				
	Kansas Educational Building Fund	State Institutions Building Fund	Correctional Institutions Building Fund	Other Capital Projects Funds	Total
AMOUNTS AVAILABLE FOR EXPENDITURE:					
Unencumbered Cash Balance at July 1, 1986 ---	\$ 6,799,138.79	\$ 4,159,424.58	\$ 39,412.37	\$ 553,298.36	\$ 11,551,274.10
Encumbrances Outstanding at July 1, 1986 ---	<u>3,481,044.04</u>	<u>2,401,505.62</u>	<u>0.00</u>	<u>1,560,158.38</u>	<u>7,442,708.04</u>
Subtotal -----	10,280,182.83	6,560,930.20	39,412.37	2,113,456.74	18,993,982.14
Revenue Fiscal Year 1987 -----	<u>1,989,753.57</u>	<u>4,255,366.26</u>	<u>2,235,971.50</u>	<u>133,496,156.34</u>	<u>152,977,248.12</u>
TOTAL AVAILABLE -----	<u>23,269,936.35</u>	<u>10,816,296.46</u>	<u>2,275,383.87</u>	<u>135,609,613.18</u>	<u>171,971,230.26</u>
AMOUNTS EXPENDED AND ENCUMBERED:					
Expenditures Fiscal Year 1987 -----	12,886,813.44	5,728,692.09	1,756,641.91	126,218,159.91	146,590,307.35
Encumbrances Outstanding at June 30, 1987					
Firm Obligations -----	3,432,831.87	1,007,000.98	281,060.00	21,238.62	4,742,150.57
Contingent Obligations -----	<u>5,667.39</u>	<u>63,137.55</u>	<u>0.00</u>	<u>2,578,806.33</u>	<u>2,647,611.27</u>
TOTAL EXPENDED AND ENCUMBERED -----	<u>16,325,312.70</u>	<u>6,798,829.72</u>	<u>2,037,701.91</u>	<u>128,818,224.86</u>	<u>153,980,069.19</u>
UNENCUMBERED CASH BALANCE AT JUNE 30, 1987 ---	\$ 6,944,623.65 (a)	\$ 4,017,466.74 (a)	\$ 237,681.96 (a)	\$ 6,791,388.72 (b)	\$ 17,991,161.07

(a) This amount does not take into consideration the amount of reappropriated balances of appropriations at June 30, 1987 as follows:

Kansas Educational Building Fund	\$ 2,096,358.42
State Institutions Building Fund	2,735,123.18
Correctional Institutions Building Fund	<u>1,298.09</u>
	\$ 4,832,779.69

(b) This amount does not include the investments on a cost basis which is shown in Exhibit "A".

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## EXHIBIT "C"

CAPITAL PROJECTS FUNDS  
Comparative Combined Statement of Revenue and Expenditures  
For the Fiscal Years Ending June 30

	Detail of 1987				1987	1986
	Kansas Educational Building Fund	State Institutions Building Fund	Correctional Institutions Building Fund	Other Capital Projects Funds		
OPERATING REVENUE						
Taxes	\$ 12,989,557.28	\$ 4,255,189.26	\$ 2,235,971.50	\$ 0.00	\$ 19,480,718.04	\$ 19,231,285.40
Agency Earnings	0.00	0.00	0.00	1,401,302.26	1,401,302.26	1,503,107.35
Revenue from the Use of Money and Property	0.00	0.00	0.00	2,463,539.81	2,463,539.81	1,978,448.25
Gifts, Donations and Grants	0.00	0.00	0.00	67,706.00	67,706.00	67,706.00
Other Operating Revenue	0.00	0.00	0.00	0.00	0.00	0.00
GROSS OPERATING REVENUE	12,989,557.28	4,255,189.26	2,235,971.50	3,932,548.07	23,413,266.11	22,780,547.00
OPERATING EXPENDITURES						
Salaries and Wages	2,568.09	0.00	0.00	180,267.21	182,835.30	174,293.21
Contractual Services	1,667,681.40	1,786,376.06	158.91	376,853.46	3,831,069.83	3,619,447.52
Commodities	37,709.31	56,624.42	0.00	12,214.79	106,548.52	309,900.54
Capital Outlay	11,178,854.64	3,885,691.61	1,756,483.00	13,295,142.84	30,116,172.09	13,695,169.16
Grants, Claims, Shared Revenue and Debt Service	0.00	0.00	0.00	4,938,771.75	4,938,771.75	2,613,097.92
GROSS OPERATING EXPENDITURES	12,886,813.44	5,728,692.09	1,756,641.91	18,803,250.05	39,175,397.49	20,411,916.35
Excess of Operating Revenue Over Operating Expenditures	102,743.84		479,329.59			2,368,630.65
Excess of Operating Expenditures Over Operating Revenue		1,473,502.83		14,870,701.98	15,762,131.38	
GROSS NON-OPERATING REVENUE	196.24	177.00	0.00	129,563,608.77	129,563,982.01	88,761,121.01
GROSS NON-OPERATING EXPENDITURES	0.00	0.00	0.00	107,414,908.86	107,414,909.86	87,141,336.96
Excess of Non-Operating Revenue Over Non-Operating Expenditures	196.24	177.00	0.00	22,148,698.91	22,149,072.15	1,619,784.05
EXCESS OF REVENUE OVER EXPENDITURES	\$ 102,940.08		\$ 479,329.59	\$ 7,277,996.93	\$ 6,386,940.77	\$ 3,984,414.70
EXCESS OF EXPENDITURES OVER REVENUE		\$ 1,473,325.83				

The Notes to the Financial Statements, Section III, are an integral part of the financial statements.





## SECTION VI

# ENTERPRISE FUNDS

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## **Enterprise Funds**

Enterprise Funds are used to finance services, usually more of a commercial nature than the normal functions of state government, rendered by a state agency primarily to the general public for compensation.

## EXHIBIT "A"

ENTERPRISE FUNDS  
Comparative Combined Balance Sheet  
June 30

	1987	1986
<u>RECOGNIZED ASSETS</u>		
Equity in State Treasurer's Common Cash Fund -----	\$ 20,453,432.62	\$ 21,302,766.24
Cash in Agencies' Imprest Funds -----	1,000.00	1,000.00
Cash with Banks for Purchase of Investments -----	10,108.83	670.43
Investments - Cost Basis (See Section XII, Note 14) -----	20,153,491.69	18,501,253.60
Amount to be Provided for Revenue Bond Redemption (See Section XII, Note 22) -----	26,666,000.00	24,196,000.00
Amount to Be Provided for Bond Defeasance Redemption -----	0.00 (a)	28,160,000.00
<u>TOTAL RECOGNIZED ASSETS</u> -----	\$ 67,284,033.14	\$ 92,161,690.27
<u>LIABILITIES, OTHER OBLIGATIONS AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Unredeemed Warrants -----	\$ 2,158,046.14	\$ 2,461,964.88
Revenue Bonds Payable (See Section XII, Note 22) -----	26,666,000.00	24,196,000.00
Defeased Bond Debt Payable -----	0.00 (a)	28,160,000.00
Total Liabilities -----	28,824,046.14	54,817,964.88
<u>OTHER OBLIGATIONS</u>		
Total Unliquidated Encumbrances -----	7,089,529.41	1,417,028.71
<u>FUND BALANCES</u>		
Unencumbered Cash Balances of Agency Funds -----	11,205,857.07	17,423,772.65
Agencies' Imprest Funds -----	1,000.00	1,000.00
Cash in Banks for Purchase of Investments -----	10,108.83	670.43
Invested Balances - Cost Basis (See Section XII, Note 14) -----	20,153,491.69	18,501,253.60
Total Fund Balances -----	31,370,457.59	35,926,696.68
<u>TOTAL LIABILITIES, OTHER OBLIGATIONS AND FUND BALANCES</u> -----	\$ 67,284,033.14	\$ 92,161,690.27

(a) The defeased bonds previously reported in this section are fully defeased and are no longer reported.

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## EXHIBIT "B"

ENTERPRISE FUNDS  
Analysis of Change in Unencumbered Cash Balance  
July 1, 1986 to June 30, 1987

## AMOUNTS AVAILABLE FOR EXPENDITURE:

Unencumbered Cash Balance at July 1, 1986	\$ 17,423,772.65
Encumbrances Outstanding at July 1, 1986	<u>1,417,028.71</u>
Subtotal	<u>18,840,801.36</u>
Revenue Fiscal Year 1987	<u>100,779,940.04</u>

TOTAL AVAILABLE	119,620,741.40
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## AMOUNTS EXPENDED AND ENCUMBERED:

Expenditures Fiscal Year 1987	101,325,354.92
Encumbrances Outstanding at June 30, 1987	
Firm Obligations	1,204,591.33
Contingent Obligations	<u>5,884,938.08</u>

TOTAL EXPENDED AND ENCUMBERED	<u>108,414,884.33</u>
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UNENCUMBERED CASH BALANCE AT JUNE 30, 1987	<u>11,205,857.07 (a)</u>
--------------------------------------------	--------------------------

(a) This balance does not include the cash advances to banks for the purchase of investments, the invested balances on a cost basis, nor Agencies' Imprest Funds held in local bank accounts. The amounts for these items are shown in Exhibit "A".

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## EXHIBIT "C"

ENTERPRISE FUNDS  
Comparative Combined Statement of Revenue and Expenditures  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING REVENUE		
Taxes	\$ 0.00	\$ 0.00
Agency Earnings	19,639,146.58	18,436,564.57
Revenue from the Use of Money and Property	22,801,285.02	26,487,652.44
Gifts, Donations and Grants	33,894.00	101,359.57
Other Operating Revenue	2,445,417.51	240,731.84
GROSS OPERATING REVENUE	44,919,743.11	45,166,308.42
OPERATING EXPENDITURES		
Salaries and Wages	20,223,766.11	19,738,367.75
Contractual Services	11,848,690.61	9,654,262.89
Commodities	7,012,872.33	6,772,263.99
Capital Outlay	6,421,820.98	1,710,342.75
Grants, Claims, Shared Revenue and Debt Service	2,990,121.03	2,132,655.84
GROSS OPERATING EXPENDITURES	48,497,273.06	40,007,893.22
Excess of Operating Revenue Over Operating Expenditures		5,358,415.20
Excess of Operating Expenditures Over Operating Revenues	3,577,529.95	
GROSS NON-OPERATING REVENUE	55,860,196.23	46,162,770.87
GROSS NON-OPERATING EXPENDITURES	32,828,081.86	49,438,481.72
Excess of Non-Operating Revenue Over Non-Operating Expenditures	2,032,115.07	
Excess of Non-Operating Expenditures Over Non-Operating Revenue		3,275,711.65
EXCESS OF REVENUE OVER EXPENDITURES		\$ 2,082,703.55
EXCESS OF EXPENDITURES OVER REVENUES	\$ 545,414.88	

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.





# SECTION VII

## INTRAGOVERNMENTAL SERVICE FUNDS

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## **Intragovernmental Service Funds**

The funds included in this class are used to finance and account for services and commodities by a designated state agency to departments of the same state agency or to other state agencies. These funds are operated on a self-sustaining basis in that they are reimbursed, usually at cost, for the goods or services they produce. They were established by contributions or advances from the State General Fund or by other funds.

## EXHIBIT "A"

INTRAGOVERNMENTAL SERVICE FUNDS  
Comparative Combined Balance Sheet  
June 30

	<u>1987</u>	<u>1986</u>
<u>RECOGNIZED ASSETS</u>		
Equity in State Treasurer's Common Cash Fund -----	\$ 28,087,368.21	\$ 26,547,070.16
Amount to be Provided for Loan Redemption (Section XII, Note 25) ----	19,309,173.30	14,991,900.00
Balance with Escrow Agent - Purchase of Landon State Office Bldg. ---	<u>0.00</u>	<u>3,897,593.00</u>
<u>TOTAL RECOGNIZED ASSETS</u> -----	<u>\$ 47,396,541.51</u>	<u>\$ 45,436,563.16</u>
<u>LIABILITIES, OTHER OBLIGATIONS AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Unredeemed Warrants -----	\$ 4,144,276.93	\$ 3,651,987.31
Loan Payable (See Section XII, Note 25) -----	<u>19,309,173.30</u>	<u>14,991,900.00</u>
Total Liabilities -----	<u>23,453,450.23</u>	<u>18,643,887.31</u>
<u>OTHER OBLIGATIONS</u>		
Total Unliquidated Encumbrances -----	<u>4,624,818.01</u>	<u>4,273,525.84</u>
<u>FUND BALANCES</u>		
Unencumbered Cash Balances of Agency Funds -----	19,318,273.27	18,621,557.01
Balance with Escrow Agent - Purchase of Landon State Office Building -----	<u>0.00</u>	<u>3,897,593.00</u>
Total Fund Balances -----	<u>19,318,273.27</u>	<u>22,519,150.01</u>
<u>TOTAL LIABILITIES, OTHER OBLIGATIONS AND FUND BALANCES</u> -----	<u>\$ 47,396,541.51</u>	<u>\$ 45,436,563.16</u>

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## EXHIBIT "B"

INTRAGOVERNMENTAL SERVICE FUNDS  
 Analysis of Change in Unencumbered Cash Balance  
July 1, 1986 to June 30, 1987

## AMOUNTS AVAILABLE FOR EXPENDITURE:

Unencumbered Cash Balance at July 1, 1986 -----	\$ 18,621,557.01	
Encumbrances Outstanding at July 1, 1986 -----	<u>4,272,525.84</u>	
Subtotal -----	22,895,082.85	
Revenue Fiscal Year 1987 -----	<u>103,529,116.24</u>	
TOTAL AVAILABLE -----		126,424,199.09

## AMOUNTS EXPENDED AND ENCUMBERED:

Expenditures Fiscal Year 1987 -----	102,481,107.81	
Encumbrances Outstanding at June 30, 1987		
Firm Obligations -----	3,827,952.56	
Contingent Obligations -----	<u>796,865.45</u>	
TOTAL EXPENDED AND ENCUMBERED -----		<u>107,105,925.82</u>
UNENCUMBERED CASH BALANCE AT JUNE 30, 1987 -----		\$ 19,318,273.27

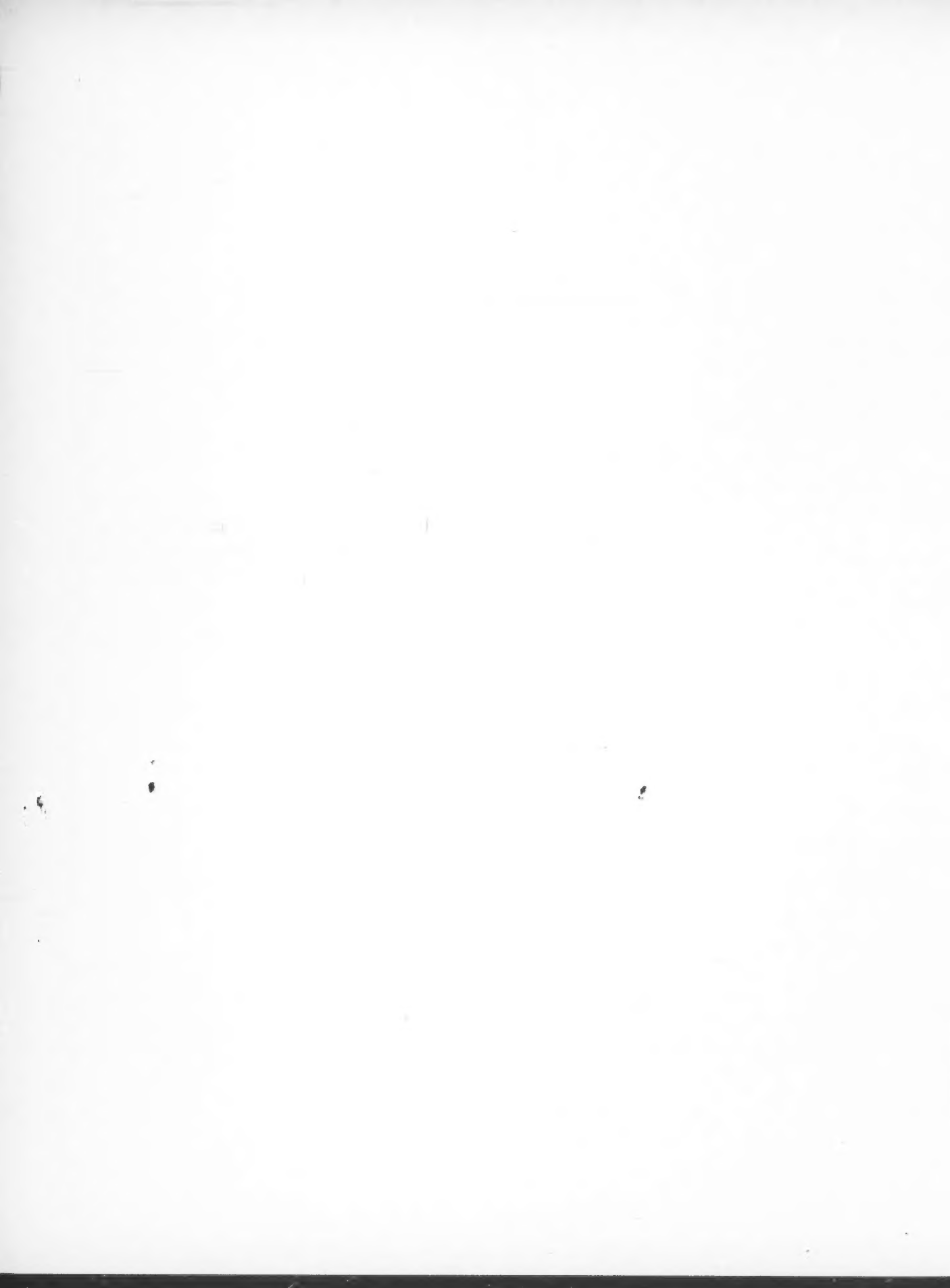
The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## EXHIBIT "C"

INTRAGOVERNMENTAL SERVICE FUNDS  
Comparative Combined Statement of Revenue and Expenditures  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING REVENUE		
Taxes	\$ 228,649.25	\$ 216,477.43
Agency Earnings	82,159,891.43	77,546,781.80
Revenue from the Use of Money and Property	11,203,320.43	6,590,639.46
Gifts, Donations and Grants	0.00	0.00
Other Operating Revenue	217,355.95	144,199.42
GROSS OPERATING REVENUE	93,809,265.06	84,478,098.11
OPERATING EXPENDITURES		
Salaries and Wages	26,333,809.34	24,017,410.08
Contractual Services	33,963,369.82	29,836,962.04
Commodities	20,109,431.30	20,101,142.85
Capital Outlay	18,515,967.33	11,749,201.03
Grants, Claims, Shared Revenue and Debt Service	3,272,698.05	813.88
GROSS OPERATING EXPENDITURES	102,195,475.84	85,705,529.88
Excess of Operating Expenditures Over Operating Revenue	8,386,210.78	1,207,431.77
GROSS NON-OPERATING REVENUE	9,719,851.18	1,067,938.61
GROSS NON-OPERATING EXPENDITURES	285,631.97	214,739.53
Excess of Non-Operating Revenue Over Non-Operating Expenditures	9,434,219.21	853,199.08
EXCESS OF REVENUE OVER EXPENDITURES	\$ 1,048,008.43	
EXCESS OF EXPENDITURES OVER REVENUE		\$ 354,232.69

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.





# SECTION VIII

## TRUST AND AGENCY FUNDS

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## **Trust and Agency Funds**

In this class are included funds that the state receives, holds, and/or disburses in a fiduciary capacity as trustee, agent or custodian. Trust funds are normally invested to produce additional revenue to be used for the same purposes for which the funds were established. Into the Agency Funds go moneys collected by the state, as agent, and disbursed to other governmental agencies and individuals in accordance with laws and regulations.

TRUST AND AGENCY FUNDS  
Comparative Combined Balance Sheet  
June 30

	Detail of 1987				
	Retirement Funds	Employment Security Funds	Other Trust and Agency Funds	1987	1986
RECOGNIZED ASSETS					
Equity in State Treasurer's Common Cash Fund -----	\$ 13,825,730.81	\$ 2,262,253.94	\$ 101,165,584.02	\$ 117,253,568.77	\$ 136,111,478.4
Cash in Agencies' Imprest Funds -----	0.00	0.00	500.00	500.00	500.00
Cash with U.S. Treasurer -----	0.00	344,172,000.00	0.00	344,172,000.00	318,491,000.0
Inmate, Patient and Client Monies in State Agencies Custody (See Section XII, Note 30) -----	0.00	0.00	2,011,495.37	2,011,495.37	2,084,933.1
Public Employees Retirement Fund Investments - Accrual Basis -----	2,848,595,998.63	0.00	0.00	2,848,595,998.63	2,493,443,498.0
See Section XII, Note 14) -----	0.00	0.00	41,474,638.68	41,474,638.68	26,528,473.4
Investments Owned by Other Funds (Cost Basis) (See Section XII, Note 14) -----	0.00	0.00	0.00	0.00	4,320,000.00
Amount to be Provided for Bond Defeasance -----	0.00	0.00	0.00	0.00	0.00
Redemption -----	0.00	0.00	0.00	0.00	0.00
Investments of Deferred Compensation Plan Balances (Market Value) -----	0.00	0.00	52,797,369.42	52,797,369.42	41,034,988.4
(See Section XII, Note 13) -----	0.00	0.00	0.00	0.00	0.00
TOTAL RECOGNIZED ASSETS -----	\$ 2,862,421,729.44	\$ 346,434,253.94	\$ 197,449,587.49	\$ 3,406,305,570.87	\$ 3,021,974,871.61
LIABILITIES, OTHER OBLIGATIONS AND BALANCES					
LIABILITIES					
Unredeemed Warrants -----	\$ 9,454,099.84	\$ 2,076,416.08	\$ 25,044,836.35	\$ 36,575,352.27	\$ 62,989,188.32
Inmate, Patient and Client Trust Funds (See Section XII, Note 30) -----	0.00	0.00	0.00	2,011,495.37	2,044,933.17
Deceased Bond Debt Payable -----	0.00	0.00	0.00	0.00	4,320,000.00
Due Employees for Deferred Compensation (Market Value) (See Section XII, Note 13) -----	0.00	0.00	52,797,369.42	52,797,369.42	41,034,988.49
Total Liabilities -----	\$ 9,454,099.84	\$ 2,076,416.08	\$ 77,842,205.77	\$ 91,384,217.06	\$ 110,389,109.98
OTHER OBLIGATIONS					
Total Unliquidated Encumbrances -----	248,275.22	0.00	17,371,244.31	17,319,519.53	8,541,281.63
FUND BALANCES					
Unencumbered Cash Balance of Agency Funds -----	4,122,155.75	344,337,837.86	59,349,501.36	407,530,476.97	386,777,108.49
Agencies' Imprest Funds -----	0.00	0.00	500.00	500.00	500.00
Invested Balances of Public Employees Retirement Fund - Accrual Basis -----	2,848,595,998.63	0.00	0.00	2,848,595,998.63	2,493,443,498.06
(See Section XII, Note 14) -----	0.00	0.00	41,474,638.68	41,474,638.68	26,528,473.46
Invested Balances of Other Funds - Cost Basis (See Section XII, Note 14) -----	0.00	0.00	0.00	0.00	0.00
Total Fund Balances -----	2,872,719,354.38	344,337,837.86	100,524,642.04	3,297,601,614.28	2,906,743,780.01
TOTAL LIABILITIES, OTHER OBLIGATIONS AND FUND BALANCES -----	\$ 2,862,421,729.44	\$ 346,434,253.94	\$ 195,438,042.12	\$ 3,406,305,570.87	\$ 3,021,974,871.62

(a) The deceased bonds are no longer being reported in the balance sheet. See Section XII, Note 26.

The Notes to the Financial Statements, Section IJ, are an integral part of the financial statements.

## EXHIBIT "B"

TRUST AND AGENCY FUNDS  
Analysis of Change in Unencumbered Cash Balance  
July 1, 1986 to June 30, 1987

	Retirement Funds	Employment Security Funds	Other Trust and Agency Funds	Total
AMOUNTS AVAILABLE FOR EXPENDITURE:				
Unencumbered Cash Balance at July 1, 1986 ---	\$ 3,610,797.02	\$ 319,101,025.70	\$ 64,059,484.97	\$ 386,771,308.49
Encumbrances Outstanding at July 1, 1986 ----	<u>816,411.71</u>	<u>0.00</u>	<u>4,025,569.93</u>	<u>4,841,981.64</u>
Subtotal -----	4,427,209.53	319,101,025.70	68,085,054.90	391,613,290.13
Revenue Fiscal Year 1987 -----	<u>645,368,080.16</u>	<u>207,614,232.83</u>	<u>1,212,578,583.04</u>	<u>2,065,560,896.03</u>
TOTAL AVAILABLE -----	<u>649,795,289.69</u>	<u>526,715,258.53</u>	<u>1,280,663,637.94</u>	<u>2,457,174,186.16</u>
AMOUNTS EXPENDED AND ENCUMBERED:				
Expenditures Fiscal Year 1987 -----	645,423,658.72	182,357,420.67	1,204,542,890.27	2,032,323,969.66
Encumbrances Outstanding at June 30, 1987				
Firm Obligations -----	214,462.61	0.00	8,253,460.45	8,467,923.06
Contingent Obligations -----	<u>33,812.61</u>	<u>0.00</u>	<u>8,817,783.86</u>	<u>8,851,596.47</u>
TOTAL EXPENDED AND ENCUMBERED -----	<u>645,671,933.94</u>	<u>182,357,420.67</u>	<u>1,221,614,134.58</u>	<u>2,049,643,489.19</u>
UNENCUMBERED CASH BALANCE AT JUNE 30, 1987# ---	\$ <u>4,123,355.75</u>	\$ <u>344,357,837.86</u>	\$ <u>59,049,503.36</u>	\$ <u>407,530,696.97</u>

# This balance does not include the Investments, the Cash with Banks for the Purchase of Investments, nor Agency Imprest Funds held in local bank accounts. The amounts for these items are shown in Exhibit "A".

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## EXHIBIT "C"

TRUST AND AGENCY FUNDS  
Comparative Combined Statement of Revenue and Expenditures  
For the Fiscal Years Ending June 30

	Detail of 1987			1987	1986
	Retirement Funds	Employment Security Funds	Other Trust and Agency Funds		
OPERATING REVENUE					
Taxes	\$ 0.00	\$ 159,328,407.32	\$ 215,055,754.48	\$ 374,384,161.80	\$ 356,103,211.87
Agency Earnings	0.00	0.00	229,168.92	229,168.92	135,478.47
Revenue from the Use of Money and Property	360,640,056.19	31,336,105.75	4,598,940.77	396,575,102.70	466,784,083.50
Gifts, Donations and Grants	0.00	6,400,750.00	4,193,258.97	10,594,018.97	7,503,703.62
Other Operating Revenue	19,998.02	40,074.39	33,372,110.21	33,432,182.67	27,408,219.63
GROSS OPERATING REVENUE	360,660,054.25	197,105,337.46	257,449,243.35	815,214,635.66	857,934,717.09
OPERATING EXPENDITURES					
Salaries and Wages	1,479,120.78	0.00	1,718,937.30	3,198,058.08	2,615,082.64
Contractual Services	24,447,790.80	0.00	5,473,463.89	29,921,254.69	16,276,326.05
Commodities	56,728.87	0.00	54,995.60	111,724.47	121,095.02
Capital Outlay	479,208.23	0.00	1,160,187.24	1,639,395.47	107,753.32
Grants, Claims, Shared Revenue and Debt Service	115,333,903.88	179,817,023.32	348,364,307.35	643,515,234.55	584,184,208.41
GROSS OPERATING EXPENDITURES	141,796,752.56	179,817,023.32	356,771,891.38	678,785,667.26	603,304,465.44
Excess of Operating Revenue Over Operating Expenditures	218,863,301.69	17,288,314.14		136,428,967.80	254,630,251.65
Excess of Operating Expenditures Over Operating Revenue			99,322,648.03		
GROSS NON-OPERATING REVENUE	284,708,025.91	10,508,895.37	955,129,339.67	1,250,346,260.97	1,310,515,807.70
GROSS NON-OPERATING EXPENDITURES	503,626,906.16	2,540,397.35	847,770,998.89	1,353,938,302.40	1,524,001,069.81
Excess of Non-Operating Revenue Over Non-Operating Expenditures		7,968,498.02	107,358,340.80		
Excess of Non-Operating Expenditures Over Non-Operating Revenue	218,918,880.25			103,592,041.43	213,485,262.11
EXCESS OF REVENUE OVER EXPENDITURES		\$ 25,256,812.16	\$ 8,035,692.77	\$ 33,236,926.37	\$ 41,144,989.54
EXCESS OF EXPENDITURES OVER REVENUE	\$ 55,578.56				

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.





# SECTION IX

## CLEARING, REFUND AND SUSPENSE FUNDS

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## **Clearing, Refund and Suspense Funds**

Included are funds used to clear transactions related to payroll deductions and contributions and certain other transactions of a non-operating nature. This class also includes specific funds established for refunding overcollections of taxes, fees and other monies. Suspense funds are included in this class for temporary depositing of monies until proper disposition can be determined. Generally, the type of funds included in this class are those which cannot be properly classified into another fund class.

## EXHIBIT "A"

CLEARING, REFUND AND SUSPENSE FUNDS  
Comparative Combined Balance Sheet  
June 30

	1987	1986
<u>RECOGNIZED ASSETS</u>		
Equity in State Treasurer's Common Cash Fund -----	\$ 46,558,475.57	\$ 47,957,983.00
Cash in Agency Imprest Fund -----	500.00	0.00
<u>TOTAL RECOGNIZED ASSETS</u> -----	\$ 46,558,975.57	\$ 47,957,983.00
<u>LIABILITIES, OTHER OBLIGATIONS AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Unredeemed Warrants -----	\$ 26,898,896.28	\$ 26,359,441.38
<u>OTHER OBLIGATIONS</u>		
Total Unliquidated Encumbrances -----	88,416.53	576,222.43
<u>FUND BALANCES</u>		
Unencumbered Cash Balance of Agency Funds	19,571,162.76	20,662,219.19
Agency Imprest Fund -----	500.00	0.00
Total Fund Balances -----	19,571,662.76	20,662,219.19
<u>TOTAL LIABILITIES, OTHER OBLIGATIONS AND FUND BALANCES</u> -----	\$ 46,558,975.57	\$ 47,957,983.00

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## EXHIBIT "B"

CLEARING, REFUND AND SUSPENSE FUNDS  
 Analysis of Change in Unencumbered Cash Balance  
July 1, 1986 to June 30, 1987

## AMOUNTS AVAILABLE FOR EXPENDITURE:

Unencumbered Cash Balance at July 1, 1986 -----	\$ 20,662,219.19	
Encumbrances Outstanding at July 1, 1986 -----	<u>576,322.43</u>	
Subtotal -----	21,238,541.62	
Revenue Fiscal Year 1987 -----	<u>776,925,880.12</u>	
TOTAL AVAILABLE -----		798,164,421.74

## AMOUNTS EXPENDED AND ENCUMBERED:

Expenditures Fiscal Year 1987 -----	778,504,842.45	
Encumbrances Outstanding at June 30, 1987 -----		
Firm Obligations -----	88,416.53	
Contingent Obligations -----	<u>0.00</u>	
TOTAL EXPENDED AND ENCUMBERED -----		<u>778,593,258.98</u>
UNENCUMBERED CASH BALANCE AT JUNE 30, 1987 -----		\$ 19,571,162.76

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## EXHIBIT "C"

CLEARING, REFUND AND SUSPENSE FUNDS  
Comparative Combined Statement of Revenue and Expenditures  
For the Fiscal Years Ending June 30

	1987	1986
OPERATING REVENUE		
Taxes	\$ 241,820,028.33	\$ 215,386,180.20
Agency Earnings	188,027.44	107,124.72
Revenue from the Use of Money and Property	2,161,217.22	2,219,535.86
Gifts, Donations and Grants	0.00	0.00
Other Operating Revenue	2,285,422.73	2,360,435.07
GROSS OPERATING REVENUE	246,454,695.72	220,073,275.85
OPERATING EXPENDITURES		
Salaries and Wages	413,824.69	344,311.96
Contractual Services	2,848,411.60	2,673,200.11
Commodities	13,165.25	12,847.92
Capital Outlay	0.00	1,625.00
Grants, Claims, Shared Revenue and Debt Service	1,596,601.87	1,452,776.04
GROSS OPERATING EXPENDITURES	4,872,003.41	4,485,771.03
Excess of Operating Revenue Over Operating Expenditures	241,582,692.31	215,587,504.82
GROSS NON-OPERATING REVENUE	530,471,184.40	392,637,770.35
GROSS NON-OPERATING EXPENDITURES	773,632,839.04	604,596,734.06
Excess of Non-Operating Expenditures Over Non-Operating Revenue	243,161,654.64	211,958,963.71
EXCESS OF REVENUE OVER EXPENDITURES		\$ 3,628,541.11
EXCESS OF EXPENDITURES OVER REVENUE	\$ 1,578,962.33	

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.





# SECTION X

## PAYROLL CLEARING FUND

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## **Payroll Clearing Fund**

The law provides that a payroll account may be established in the state treasury to permit the issuance of a consolidated payroll for each state agency. The receipts to this account are derived from transfers of monies from other funds within the treasury. The disbursements are made by payroll warrants for the net amount of salaries to state employees and the remainder of funds in the form of OASDHI, withholding taxes, retirement and miscellaneous payroll deductions are transferred to appropriate Department of Administration Clearing Funds and disbursed to other governmental units and the appropriate entities. Normally monies transferred in are disbursed within the same month and not later than the end of a quarter. Currently, the Kansas University Medical Center payroll is utilizing the payroll clearing fund. However, this payroll system is being eliminated and KUMC will be operating on the Regents' Payroll System in early FY 1988. Under the Kansas Integrated Personnel Payroll System (K.I.P.P.S.), payrolls of state agencies are charged directly against the appropriate agency account or accounts in the state treasury on an individual account basis rather than utilizing the payroll clearing fund. Another payroll system, the Regents' Institutions Payroll System, is being phased in. The Regents' Institutions Payroll System does not use the Payroll Clearing Fund but does use individual agency clearing funds reported under the category of "Clearing Refund and Suspense Funds" (Section IX of this Annual Financial Report).

## EXHIBIT "A"

PAYROLL CLEARING FUND  
Comparative Balance Sheet  
June 30

	1987	1986
<u>RECOGNIZED ASSETS</u>		
Equity in State Treasurer's Common Cash Fund -----	\$ 4,490,828.37	\$ 14,117,168.36
<u>TOTAL RECOGNIZED ASSETS</u> -----	\$ 4,490,828.37	\$ 14,117,168.36
<u>LIABILITIES</u>		
Unredeemed Warrants -----	\$ 1,571,088.55	\$ 10,214,903.99
Due for Payroll Deductions, Taxes, Retirement, Etc.:		
Due Federal Government for Social Security -----	159,999.47	1,659,362.38
Due Federal Government for Federal Withholding Taxes -----	45,975.77	13,104.00
Due Federal Government for Savings Bonds -----	4,589.31	20,371.44
Due Department of Revenue for Kansas Withholding Taxes -----	3,986.80	357,204.75
Due for Worker's Compensation Contributions -----	26,746.33	83,187.88
Due for Parking Fees -----	0.00	45.00
Due for Unemployment Compensation Contributions -----	3,761.37	24,574.17
Due for Mandatory Retirement Annuity Contributions -----	266,996.33	184,453.09
Due for Retirement Contributions due Kansas Public Employees Retirement System -----	150,365.00	677,713.43
Due for Health Insurance Carriers and Health Maintenance Organizations -----	247,626.05	760,650.18
Due for Membership Fees Due Employee Organizations -----	868.00	6,743.89
Due for United Way -----	2,344.13	3,938.64
Due Aetna Life Insurance and Annuity Company for Deferred Compensation -----	4,481.26	110,915.52
Total Due for Payroll Deductions, Taxes, Retirement, Etc. -	917,739.82	3,902,264.37
<u>TOTAL LIABILITIES</u> -----	\$ 4,490,828.37	\$ 14,117,168.36

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## EXHIBIT "B"

PAYROLL CLEARING FUND  
Comparative Analysis of Change in Unencumbered Cash Balance  
For the Fiscal Years Ending June 30

	1987	1986
Balance, July 1 -----	\$ 3,902,264.37	\$ 6,957,774.59
Add: Transfers from Other State Funds -----	171,977,064.47	309,327,674.21
Total Amount Available -----	175,879,328.84	316,285,448.80
Less: Transfers to Other Funds -----	72,331,924.00	125,584,843.23
Payroll Warrants Issued (Including Earned Income Credits) -----	102,629,665.02	186,998,341.20
Total Disbursements -----	174,961,589.02	312,583,184.43
BALANCE, June 30 -----	\$ 917,739.82	\$ 3,902,264.37

The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.

## EXHIBIT "C"

PAYROLL CLEARING FUND  
Comparative Statement of Revenue and Expenditures  
For the Fiscal Years Ending June 30

	1987	1986
NON-OPERATING REVENUE		
Transfers from Other State Funds -----	\$ 171,977,064.47	\$ 309,327,674.21
GROSS NON-OPERATING REVENUE -----	171,977,064.47	309,327,674.21
NON-OPERATING EXPENDITURES		
Gross Transfers from Payroll Clearing Fund -----	72,331,924.00	125,384,843.23
Warrants Issued from Payroll Clearing Fund:		
Payroll Warrants (Including Earned Income Credits) -----	102,629,665.02	186,998,341.20
GROSS NON-OPERATING EXPENDITURES -----	174,961,589.02	312,383,184.43
Excess of Non-Operating Expenditures Over Non-Operating Revenue -----	\$ 2,984,524.55	\$ 3,055,510.22
The Notes to the Financial Statements, Section XII, are an integral part of the financial statements.		





# SECTION XI

## GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP

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LONG TERM OBLIGATIONS ACCOUNT GROUP  
REVENUE BOND INDEBTEDNESS  
JUNE 30, 1987  
(EXPRESSED IN THOUSANDS)

EXHIBIT "D"

DESCRIPTION OF DEBT/DATE/AMOUNT ISSUED (BY FUND CLASS AND AGENCY)	FUTURE YEAR MATURITIES	INTEREST RATE (%)	BEGINNING BALANCE	PRINCIPAL PAID FY 87	OUTSTANDING JUNE 30, 1987
<b>HIGHWAY FUNDS</b>					
Department of Transportation K.S.A. Ch 68, Art 23					
Highway Refunding Bonds Series 1985A Issued Nov. 15, 1985 \$151,545	1988 - 1999	8.00	\$ 151,545	\$ 0	\$ 151,545
TOTAL HIGHWAY FUNDS REVENUE BOND INDEBTEDNESS			151,545	0	151,545
<b>CAPITAL PROJECTS FUNDS</b>					
Kansas Fish and Game Commission K.S.A. Ch 32, Art 6					
Fish Hatchery Refunding Bonds Issued May 15, 1984 \$4,650 (See Section XII, Note 27)	1988 - 1998	6.00 to 9.27	4,350	225	4,125
Fort Hays State University K.S.A. Ch 76, Art 6a					
Physical Education Building Issued Dec. 1, 1970 \$4,615	1988 - 1996	5.50 to 6.90	2,655	220	2,435
University of Kansas Medical Center K.S.A. Ch 76, Art 6a					
Medical Library Issued June 1, 1981 \$1,000	1988 - 1996	9.50 to 10.50	790	55	735
1985 Hospital Refunding Bonds Issued Dec. 1, 1985 \$15,635	1988 - 1997	5.50 to 8.00	15,635	930	14,705
1985 Parking Facility Refunding Bonds Issued Dec. 1, 1985 \$1,925	1988 - 2003	5.50 to 9.10	1,890	65	1,825
Wichita State University K.S.A. Ch 76, Art 6a					
1984 Academic and Service Building Refunding Revenue Bonds Issued Nov. 15, 1984 \$1,570	1988 - 1993	5.50 to 9.10	1,425	155	1,270
1985 Library Refunding Revenue Bonds Issued April 1, 1985 \$890	1988 - 1990	7.00 to 10.00	740	165	575
TOTAL CAPITAL PROJECTS FUNDS REVENUE BOND INDEBTEDNESS			27,465	1,815	25,670
TOTAL REVENUE BOND INDEBTEDNESS (a)			\$ 179,030	\$ 1,815	\$ 177,215

(a) The defeased bonds which were previously reported in this section are fully defeased and are no longer reported.

LONG TERM OBLIGATIONS ACCOUNT GROUP  
LOANS OUTSTANDING  
JUNE 30, 1987  
(EXPRESSED IN THOUSANDS)

EXHIBIT "E"

DESCRIPTION OF DEBT/DATE/AMOUNT ISSUED  
(BY FUND CLASS AND AGENCY)

FUTURE YEAR  
MATURITIES

INTEREST  
RATE (%)

OUTSTANDING  
BALANCE

PRINCIPAL  
PAID FY 87

OUTSTANDING  
JUNE 30, 1987

SPECIAL REVENUE FUNDS

Department of Social and Rehabilitation  
Services

Adult Care Homes Lawsuit Settlement  
Fund (See Section XII, Note 25B)  
June 30, 1985 (K.S.A. 75-5342)  
\$1,200

1988 - 1989

8.18

\$

7,843

\$

0

\$

7,843

CAPITAL PROJECTS FUNDS

University of Kansas Medical Center

Animal Research Facility  
(See Section XII, Note 25E)  
Dec. 15, 1986 (K.S.A. 76-828)  
\$4,300

1988 - 2007

Adjusted  
Annually

4,300

0

4,300

TOTAL LOANS OUTSTANDING

\$ 12,143

\$ 0

\$ 12,143

## EXHIBIT "F"

CERTIFICATES OF PARTICIPATION  
JUNE 30, 1987  
(EXPRESSED IN THOUSANDS)

DESCRIPTION OF DEBT/DATE/AMOUNT ISSUED (BY FUND CLASS AND AGENCY)	FUTURE YEAR MATURITIES	INTEREST RATE (%)	BEGINNING BALANCE	PRINCIPAL PAID FY 87	OUTSTANDING JUNE 30, 1987
CERTIFICATES OF PARTICIPATION					
CAPITAL PROJECTS FUND					
Department of Administration K.S.A. 75-37,101					
1985 Certifications of Participation - Lease Payment Fund (a) October, 1985 \$29,470	Prepaid		\$ 28,490	\$ 28,490	\$ 0
1986 Certifications of Participation - Lease Payment Fund (b) August, 1986 \$35,720	1988 - 1998	5.5 to 7.1	35,720	1,995	35,725
PUBLIC LEASING CORPORATION CERTIFICATE OF PARTICIPATION FINANCING AGREEMENT					
SPECIAL REVENUE FUND					
University of Kansas Medical Center K.S.A. 75-37,101					
University of Kansas Hospital Fund - Lease-Purchase Nuclear Magnetic Resonance Imaging System (c) \$2,004	1988 - 1990	Variable	1,654	355	1,299
TOTAL CERTIFICATES OF PARTICIPATION			\$ 65,864	\$ 30,840	\$ 35,024

- (a) Moneys from the 1986 Certificates of Participation issue were used to exercise the purchase option of the 1985 Certificates of Participation.
- (b) Principal and interest is payable semiannually on October 1, and April 1 beginning with the initial payment which was made on April 1, 1987. Further information is available from Note 1 above and from Section XII, Note 28.
- (c) A lease with option to purchase agreement was made during fiscal year 1985 by the University of Kansas Medical Center with funding provided through the issuance of Certificates of Participation by Public Leasing Corporation. For additional information see Section XII, Note 28.

## EXHIBIT "G"

WATER SUPPLY STORAGE IN FEDERAL MULTIPURPOSE RESERVOIRS  
 PRINCIPAL BALANCE AND ANNUAL PRINCIPAL AND INTEREST REQUIREMENTS  
 JUNE 30, 1987

Reservoir	June 30, 1987 Principal Balance	Principal Balance Future Use (Pmt. Deferred)(a)	Interest Rate Percent	Principal and Interest Paid FY 1987	No. of Years Principal Paid to Date
Big Hill(b)	\$ 2,825,952	\$ 4,499,164	4.012	\$ 60,184	7
Clinton(c)	3,720,586	2,031,918	3.502	168,692	8
Council Grove	1,231,039	-----	2.699	52,200	12
Elk City	1,809,921	-----	2.742	77,272	12
Hillsdale	3,355,342	20,107,508	4.012	102,363	6
John Redmond	3,675,595	-----	2.670	157,580	13
Marion	1,376,038	-----	3.046	59,974	10
Milford	-0-	11,241,116	2.632	183,934	11
Perry	-0-	8,354,184	3.046	-0-	8
	<u>\$17,994,473</u>	<u>\$46,233,890</u>		<u>\$862,199</u>	

Additional information is provided in the Notes to the Financial Statements (Section XII, Note 24).

- (a) The State of Kansas is not required to make payment on the future use portion of the storage space until the state calls it into use.
- (b) The final costs have not been computed by the federal government, but the principal shown herein has been revised to reflect updated estimates made in 1983 by the Corps of Engineers. However, annual debt service payments have continued to be made on the original (lower) cost estimates. The current payment does not cover the annual interest on the update principal which adds to the principal.
- (c) Final costs have been computed by the federal government and annual payments have been adjusted accordingly.

## EXHIBIT "H"

MISCELLANEOUS LONG-TERM  
OBLIGATIONS OUTSTANDING  
JUNE 30, 1987

DESCRIPTION OF OBLIGATION (By Fund Class and Agency)	Obligations Outstanding June 30, 1987
 STATE GENERAL FUND	
Department of Corrections Lease-Purchase Payments to the Ellsworth Public Building Commission for the Ellsworth Correctional Work Facility at Ellsworth, Kansas	\$10,465,000(a)
 STATE GENERAL FUND/SPECIAL REVENUE FUND	
Department of Social and Rehabilitation Services State General Fund/Federal Formula Grants Fund- Payments to St. Francis Regional Medical Center, Wichita	\$ 925,000(b)
 TRUST AND AGENCY FUND	
Department of Administration State Workmen's Compensation Self-Insurance Fund- Claims Payments	\$10,397,530(c)
TOTAL MISCELLANEOUS LONG-TERM OBLIGATIONS	\$21,787,530 ~~~~~

- (a) Under a contract with the Ellsworth Public Building Commission, the State of Kansas Department of Corrections is committed to semiannual payments through Fiscal Year 2001 amounting to the principal stated above plus the interest due thereon. These payments are to equal the payments due on the revenue bonds issued by the Ellsworth Public Building Commission (Series 1986) and any amounts necessary to maintain the bond reserve. Interest amounts are not reported due to the uncertainty of the actual liability since the amounts attributed to the investment of bond proceeds and the bond reserve reduce the amount payable.
- (b) Monthly payments of \$77,083.33 are to be made to St. Francis Regional Medical Center, Wichita through June, 1988. These payments are pursuant to a stipulated settlement agreement in regard to alleged underpayments for services provided by St. Francis to qualifying clients. All payments are paid through a third party reimbursement contractor (EDS Federal System). For additional information, see Section XII, Note 17.
- (c) The State, as self-insurer, provides for statutory workers' compensation and medical payments for state employees injured in the line of duty. The present value of future payments on reported claims is the estimated amount as shown above; of this amount \$3,118,359 is projected as fiscal year 1988 obligation. For additional information, see Section XII, Note 16.



# SECTION XII

## NOTES TO THE FINANCIAL STATEMENTS

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State of Kansas  
Notes of the Financial Statements  
For the Year Ended June 30, 1987

1. SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements have been prepared to the extent possible in accordance with generally accepted principles of governmental fund accounting. The accompanying financial statements are prepared from fund and account records maintained by the Division of Accounts and Reports and include all funds required by statute to be deposited and disbursed through the State Treasury by the various boards, commissions, authorities and state-spending agencies which are subject to legislative review and annual appropriation. Also included in the Combined and Fund Class Balance Sheet Statements are the following items, although they are not deposited and disbursed through the State Treasury: (1) monies locally held in trust for inmates, clients and members confined at state institutions; (2) authorized agency imprest funds; (3) institutional canteen funds; (4) patient's benefit funds; (5) deferred compensation plan assets held

by third party administrator; (6) investment activities of the Department of Administration, Kansas Fish and Game Commission, Department of Transportation, Kansas Public Employees Retirement System, Department of Health and Environment, Real Estate Commission and the University of Kansas Medical Center; and (7) activities related to Fish Hatchery Revenue Bonds which are also included in the General Long-Term Obligations Account Group (Section XI). The investment activities are also shown in the other statements with corresponding expenditures removing the amounts outside the State Treasury from the fund balances. Exclusions from these financial statements are the following items which are outside the State Treasury: (1) certain locally collected custodial funds; (2) student union, athletic, cafeteria, foundation and endowment funds of the state supported universities; (3) Kansas Turnpike Authority and (4) district court funds.

B. FUND ACCOUNTING

The financial activities of the state are organized and accounted for on the basis of individual funds segregated for the purpose of carrying on specific activities or obtaining certain objectives in accordance with statute, specific regulations, restrictions or limitations. These individual funds and financial activities have been classified into the following fund categories and account group: (1) State General Fund, (2) Special Revenue Funds, (3) Highway Funds, (4) Capital Projects Funds, (5) Enterprise Funds, (6) Intragovernmental Service Funds, (7) Trust and Agency Funds (Employment Security Funds and Retirement Funds are included in this

class, but shown separately), (8) Clearing, Refund and Suspense Funds, (9) State Payroll Clearing Fund and (10) General Long-Term Obligations Account Group. The State General Fund, Special Revenue Funds, Highway Funds and Capital Projects Funds represent Governmental Fund Types. The Enterprise Funds and the Intragovernmental Service Funds represent Proprietary Fund Types. The Trust and Agency Funds, Clearing, Refund and Suspense Funds and the State Payroll Clearing Fund represent Fiduciary Fund Types. An explanation of each fund class utilized in this report is included on the reverse side of the title page for each fund class section.

### C. BASIS OF ACCOUNTING

The financial statements contained in this report are prepared on the modified accrual with encumbrance modification basis for the Governmental, Proprietary, and Fiduciary type funds. Approximately ten days is allowed after the close of each fiscal year to record all revenues, expenditures and encumbrances applicable to the period being closed. This allows for more accurate recording and reporting of the financial activities.

Revenues are recognized when they are measurable and available to finance current expenditures. Recognition and reporting occurs when the cash receipts are deposited into the State Treasury. This basis is used for self-assessed taxes, grants, fines, fees and all other items of revenue. Estimated taxes receivable from levies on ad valorem property are recorded and recognized in the balance sheets' statements in this report.

Expenditures as used in the accompanying financial statements are based upon the actual amount of warrants issued and

interfund transactions processed during the fiscal reporting period. This differs from the basis used in budgetary documents, which treats as expenditures monies reserved in the form of encumbrances for the payment of contracts, leases, orders and other types of obligations.

Encumbrances as used in the accompanying financial statements represent amounts of current or prior years' appropriations or fund balances which have been reserved for the eventual payment of goods or services provided or ordered prior to the closing date of the fiscal year. The amounts reported as encumbrances in the accompanying financial statements represent both items which constitute actual liabilities for which payment warrants were not issued by the closing of the fiscal year, and actual orders placed for goods or services on or before the closing date of the fiscal year. These amounts have not been considered as expenditures in the accompanying financial statements, but are shown as other obligations for which a corresponding amount of fund balance has been reserved.

### 2. EQUITY IN STATE TREASURER'S COMMON CASH FUND

Monies in the "common cash pool" in the State Treasury, not immediately needed for the payment of liabilities in the form of warrants (checks), may be invested under provisions of statute by the Pooled Money Investment Board (PMIB). These invested amounts are not separately stated in the Balance Sheets, but are included in the "Equity in State Treasurer's Common Cash Fund" designation under the appropriate Fund Class.

Bank balances of the state treasurer's common-cash fund as well as certain other agency monies not part of the common cash fund, but invested through PMIB are pooled for securing purposes. Balances are fully secured, as required by statute, through a combination of F.D.I.C. insurance and

collateral which is held directly by the state treasurer, or in joint custody by Kansas banks approved by PMIB or the federal reserve bank. Securities pledged as collateral consist of 1) direct obligations of, or obligations insured by the United States government or any U.S. government agency, 2) Kansas municipal bonds, 3) Revenue bonds of any agency or arm of the state of Kansas, and 4) general obligation temporary notes, and approved warrants payable from proceeds of mandatory tax levies from any municipal corporation or quasi-municipal corporation within the state of Kansas.

Monies available for deposit are authorized by statute to be invested in repurchase agreements of direct obligations of, or

Continued - Note 2

obligations insured by the United States government, or agency thereof. The following are the items that represent the

total "Equity in State Treasurer's Common Cash Fund" as of June 30, 1987:

1

Cash Items	\$ 8,452.77
Cash in Transit (FY 1987 receipts collected by state agencies on or before June 30, 1987, and deposited with State Treasurer from July 1 through July 15, 1987)	46,396,086.58
Cash in Active Accounts	400,306.84
Invested in Repurchase Agreements	210,100,000.00
Invested in Active Accounts	4,802,600.10
Invested in Inactive Bank Accounts	346,275,000.00
Loans Receivable:	
Department of Administration	
Purchase of Santa Fe Facility	11,245,000.00
Construction of State Printing Plant	3,371,900.00
Renovation of Landon State Office Building	4,530,000.00
Department of Social and Rehabilitation Services	
Adult Care Homes Lawsuit Settlement	7,842,652.00
Department of Corrections	
Purchase of Property in Jefferson County, Kansas	162,273.30
University of Kansas - Kansas City Campus	
Animal Research Facility	4,300,000.00
	<u>\$639,434,271.59</u>

### 3. FIXED ASSETS

Land, buildings, equipment, capital improvements and infrastructure assets are recorded as expenditures at the time of payment for their purchase or construction. Currently, these assets are not reflected on the state's balance sheets, but fixed asset records are maintained at cost through the use of agency and central accounting records primarily to insure

accountability. Depreciation is not recorded on the central accounting records, but generally is maintained at the state agency level for proprietary fund type assets in conjunction with the establishment of service rates. Donated fixed assets are added to the fixed assets accountability records at their fair market value at the time of donation.

Continued

#### 4. LEASED ASSETS

Payments made for leased assets are recorded as expenditures over the lease term as they are paid whether or not the property rights extend beyond the current fiscal reporting period. The recognition of capital leases as an asset and an obligation at the beginning of the lease term is not currently practiced, and is not reported in the accompanying financial statements. Payments made under lease-purchase options are recorded as rental expense until the purchase option is exercised, at which time the total payments

to date are reflected as an addition to the fixed assets accountability records. Payments made on installment purchases for capital items are recorded at the time of payment as an addition to the fixed assets accountability records. For more information concerning lease purchase agreements, see item 26 of this section concerning certificate of participation financing and Section XI, Exhibit H concerning the Lease Purchase agreement with Ellsworth Public Building Commission.

#### 5. INVENTORIES

Purchases of materials and supplies are treated as expenditures for all fund types when payment is made. No amounts for

inventories are reported in the Balance Sheet.

#### 6. DEFERRED CHARGES/PREPAID EXPENSES

In all fund types, the item is recorded as an expenditure when payment is made. No amounts for these items are included in the

Balance Sheets except for the State General Fund accrued liability for retirement contributions.

#### 7. DEFICIT FUND BALANCES

Some of the individual funds included in the accompanying financial statements will reflect a negative unencumbered cash balance. This occurs as a result of the accounting practice to record orders for supplies, materials and equipment, services and other contractual obligations and construction contracts at the time the

order or contract is let contingent upon the receiving of cash by the time actual payments become due. Generally, this deficit condition exists in the State Highway Fund and other Special Revenue Funds where federal grant cash cannot be drawn until payments are due to be made.

#### 8. SALARIES AND WAGES

For budget and accounting purposes, salary payments by state law are charged to the fiscal year in which the last day of the payroll period occurs. The majority of the state's officers and employees are paid on a monthly basis for a period commencing on

the eighteenth of one month through the seventeenth of the following month. Since costs for the payroll period commencing on June 18th are considered obligations of the succeeding fiscal year, no accrual of salary costs for the period from June 18-30

are reflected in the accompanying financial statements for this group of employees. Costs covering payroll periods ending June 30 are reflected as either expenditures or encumbrances in the accompanying financial statements for (1) Plant employees of the Division of Printing of the Department of Administration, (2) certain unclassified employees of universities where the major responsibility is teaching, (3) members and

employees of the State Legislature, (4) insurance companies' examiners of the State Insurance Department and (5) any state agency abolished at June 30 by law. The salary cost for officers and employees of the University of Kansas Medical Center for the bi-weekly payroll period ending June 27, 1987 is reflected in the accompanying financial statements as expenditures or encumbrances.

#### 9. SICK LEAVE ACCUMULATIONS

It is the current policy to record the cost of sick leave accumulations as a current expenditure at the time of payment based upon the current pay rate at the time of usage or upon retirement. Sick leave is generally earned by employees on the basis of one day per month with unlimited accumulation and is paid when an employee is absent due to personal or family illness. Sick leave used for family illness is limited to forty hours per year.

Payment is made to a retiring employee for a portion of the accumulated sick leave if the accumulation exceeds 100 or more days. The portion paid is dependent upon the total number of accumulated days and years of service. The minimum amount payable is 30 days and the maximum is limited to 60 days. All such costs are recorded as current expenditures at the time of payment.

#### 10. ANNUAL LEAVE ACCUMULATIONS

It is the current policy to record the cost of annual leave accumulations as a current expenditure at the time of payment, based upon the current pay rate at the time of usage or upon termination of employment. Classified employees earn maximum annual leave ranging from 8 to 14 hours per month, depending upon length of service. Maximum

accumulations range from 144 to 240 hours depending upon length of service. Annual leave accumulations for unclassified employees are similar, but vary between state agencies. In all cases, the present policy is to fund these payments on a "pay as you go" basis.

#### 11. EMPLOYEES GROUP HEALTH INSURANCE

For calendar year 1987, state employees were offered ten options for health insurance coverage: One statewide traditional medical and dental plan and one Preferred Provider network called Choice Care, under Blue Cross and Blue Shield of Kansas (BC-BS); and nine Health Maintenance Organizations (HMO) in 20 geographic locations. The statewide single premium

rate is \$86.89 for traditional medical coverage and \$5.66 for dental coverage, totalling \$92.55 per month. HMO medical rates vary from a low of \$66.60 to a high of \$90.47. Single medical and dental coverage is provided for all full-time eligible state employees. Part-time employees pay 25% of their premium rate. Employees may enroll in family coverage and

Continued - Note 11

pay premiums through payroll deduction.

The August 1, 1984-July 31, 1985, traditional insurance with Blue Cross and Blue Shield generated three million dollars in surplus which accrued to the State.

This surplus was disbursed as follows: One million dollars allocated to reduce family premium rates paid by state employees for the 1985-1986 contract; \$1,983,254 allocated to supplement budgeted health insurance collections from state agencies. A final accounting of the surplus will be made August 31, 1987.

Additional projected ending balances for

contracts with Blue Cross and Blue Shield are: August 1, 1985-December 31, 1986-approximately eight million dollar loss; January 1-December 31, 1987-over five million dollar loss. Based upon these losses, rates for calendar year 1988 are expected to increase significantly.

The Flexible Compensation Plan (Plan) implemented in 1986, operates on a calendar year basis. The current plan year is January 1, 1987 through December 31, 1987. Eligible state officers and employees pay their portion of group health insurance premiums with pretax dollars. Employees participating in the Plan increase their take home pay by reducing Federal Income and Social Security taxes.

## 12. RETIREMENT AND PENSION SYSTEMS AND PLANS

### A. KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM

The Kansas Public Employees Retirement System (KPERs) is a body corporate and an instrumentality of the state. KPERs is an umbrella organization which administers three state-wide coverage groups which contains various subgroups. The state-wide coverage groups are (1) the Kansas Public Employees Retirement System (KPERs), (2) Kansas Police and Firemen's Retirement System (K P & F), and (3) Retirement System for Justices and Judges. All of the coverage groups are defined benefit contributory plans which cover substantially all of the employees of the state of Kansas and units of local government in Kansas. The retirement system reserves are funded by member contributions of between 4% and 7% of compensation, employer contributions and investment income. State law provides that the employer contribution rates for all KPERs coverage groups be determined from year to year using the full funding method. This includes the current costs each year and the amortization over a 40-year period (20 years if so elected by K P & F employers) beginning in 1962 for

the past service liability. The rates are determined annually by the system's actuary using the "entry age normal, with frozen initial liability" actuarial method. All local unit of government electing to participate (which is irrevocable) on or after January 1, 1982 must pay its own prior service cost and this cost must be paid in full by no later than December 31, 2022.

As of June 30, 1986, (the latest date for which information is available), the actuarial liability for prior service benefits was calculated at \$390,603,300 for the several coverage groups. This represents an increase over the reported amount of \$378,260,100 at June 30, 1985 and is attributed to legislation which improved past service benefits and increased the past service liability to participating employers. This prior service liability amount is not reflected in the accompanying financial statements. The breakdown of this liability by each retirement system or major coverage groups follows:

Continued - Note 12A

Kansas Public Employees Retirement System-Non-School	\$ 72,100,000
Kansas Police and Firemen's System	69,700,000
Kansas Public Employees Retirement System-School	230,900,000
Kansas Public Employees Retirement System-TIAA	15,300,000
Kansas Retirement System for Judges	<u>2,603,300</u>
Total Unfunded Past Service Liability, June 30, 1986	<u>\$390,603,300</u>

Group life insurance and long-term disability coverage is provided for all coverage groups and is funded entirely by employer contributions at a rate established by statute at .6% of covered payroll. All active KPERS members and all state employees prior to becoming eligible for a covered group (except K P & F members) are covered by the group life insurance contract. Active KPERS members

and all state employees prior to becoming eligible for a covered group are also covered under the disability income contract. Certain employees of the State Board of Regents and state educational institutions, although not under KPERS for their basic retirement coverage, are covered under provisions of the group life insurance and long-term disability coverage.

#### B. OTHER RETIREMENT PLANS

Faculty and certain other employees of the State Board of Regents or educational institutions under its management may elect to become members of KPERS or be assisted by the State Board of Regents in the purchase of retirement annuities. The basic retirement plan carriers authorized by the Board include the Teachers Insurance Annuity Association and College Retirement Equity Fund (TIAA-CREF), AETNA Life Insurance Company, Lincoln National Pension Company and Union-Mutual Pension and Insurance Corporation.

The employees which are assisted by the State Board of Regents in the purchase of a retirement annuity are required to contribute 5% of their salary toward the

purchase of their retirement annuity. During fiscal year 1987 the employer contributed 7% but the employer's contribution was increased to 8% on July 1, 1987.

The faculty and certain other employees of the State Board of Regents or educational institutions who have elected assistance by the State Board of Regents may also elect to voluntarily participate in the tax sheltered annuity provisions of Internal Revenue Code of 1954 as amended, to the maximum amount allowed. This voluntary tax sheltering of more than 5% of the member's salary allows the member to purchase a tax-sheltered annuity contract as a supplement to the basic retirement program.

Continued

### 13. DEFERRED COMPENSATION PLAN

The state began a voluntary deferred compensation program as authorized by IRS Code Section 457 on July 1, 1980. Salary reduction agreements are made with eligible employees whereby prescribed amounts are withheld from the employees pay and remitted to the Trustee, Aetna Life Insurance and Annuity Company which invests them in eligible Annuity products, in accordance with the investment instructions of the employees. The deferred compensation is not available to employees until termination or retirement from employment, death, or unforeseeable emergency. The assets in the plan remain the property of the state until paid or made available to

participants, subject only to the claims of the state's general creditors. It is unlikely the state will use the assets to satisfy claims of the general creditors. Although the state retains ownership of the deferred compensation fund, it assumes no liability for the investment results or for the ultimate payment of benefits. At June 30, 1987, the insurance company held \$52,797,369.42 (market value) in trust for individual accounts of state employees participating in the deferred compensation program. Following is a summary of the deferred compensation plan activity for fiscal year 1987.

Fund Assets (at market value) July 1, 1986	\$41,034,988.49
Deferrals of Compensation	8,880,357.07
Earnings and Adjustments to Market Value	4,554,610.04
Payments to Eligible Participants	( 1,611,296.18)
Administrative Expenses	( 61,290.00)
Fund Assets (at market value) June 30, 1987	<u>\$52,797,369.42</u>

### 14. INVESTMENTS

Investments are reflected in the accompanying financial statements on an accrual basis for the Kansas Public Employees Retirement Fund and on the cost basis for certain other funds that are statutorily authorized to be separately invested. These investments on the cost basis are made by the Pooled Money Investment Board or by Kansas banks approved by PMIB and the investment balances are not included in the state treasurer's common-cash fund (See

Note 2 of this section). The Fish Hatchery Bond fund investments included under the Capital Projects Funds are made by Central National Bank, Junction City. Their investment activity is supplied by Kansas Fish and Game Commission and recorded into the Central Accounting System for Kansas.

Following is a detailed listing of the investments which are reflected in the balance sheets:

Continued - Note 14

Schedule of Investments at June 30, 1987

	Investments (Cost Basis)	Cash With Banks for Purchase of Investments
<u>Special Revenue Funds</u>		
<u>Fish and Game Commission</u>		
Fish and Game Conservation Fund-Investments	\$ 718,250.29	\$
Total Special Revenue Funds	\$ 718,250.29	
<u>Highway Funds</u>		
<u>Department of Transportation</u>		
State Freeway Construction Fund	1,117,206.01	
State Freeway Fund	104,338,733.43	7,807,709.38
Total Highway Funds	\$ 105,455,939.44	\$ 7,807,709.38
<u>Capital Project Funds</u>		
<u>Department of Administration</u>		
*1986 Certificates of Participation- Acquisition Fund	5,020,000.00	
1986 Certificates of Participation- Reserve Fund	4,185,070.95	
1986 Certificates of Participation- Capitalized Interest Fund	273,647.00	
*The investment amount for this fund is \$300,000.00 less than the amount per the records of the Pooled Money Investment Board because the Division of Accounts and Reports processed receipts in this amount as June, 1987 business and Pooled Money Investment Board recorded it as July, 1987 business.		
<u>Fort Hays State University</u>		
<u>Physical Education Building</u>		
Construction-Bond and Interest Sinking Fund	1,487,479.51	
<u>University of Kansas-Kansas City Campus</u>		
Medical Library Bond and Interest Sinking Fund	288,960.22	
1985 Hospital Refunding Revenue Bonds- Bond Reserve Fund	126,441.45	
1985 Parking Facility Refunding Revenue Bonds-Principal and Interest Fund	213,721.32	
1985 Parking Facility Refunding Revenue Bonds-Bond Reserve Fund	19,381.67	
<u>Wichita State University</u>		
Stadium-Bond Redemption Fund	46,159.54	
1960 Library Surplus Fund	16,491.44	

Continued - Note 14

Schedule of Investments at June 30, 1987

	<u>Investments (Cost Basis)</u>	<u>Cash With Banks for Purchase of Investments</u>
1984 Academic and Service Building-Bond Reserve Fund	\$ 300,000.00	\$
1984 Academic and Service Building-Surplus Fund	56,282.13	
1985 Library Bond Reserve Fund	100,000.00	
1960 Library Maintenance Reserve Fund	50,000.00	
1971 Academic & Service Building Maintenance Fund	342,802.14	
<u>Fish and Game Commission, Kansas</u>		
Fish Hatchery Bonds-Construction Fund	562,720.06	4,555.59
Fish Hatchery Bonds-Principal and Interest Fund	272,712.71	186,856.48
Fish Hatchery Bonds-Bond Reserve Fund	641,675.90	0.00
Fish Hatchery Bonds-Surplus Fund	1,156,723.95	0.00
Fish Hatchery Bonds-Revenue Fund	0.00	163,250.00
Total Capital Projects Funds	<u>\$ 15,160,269.99</u>	<u>\$ 354,662.07</u>
<u>Enterprise Funds</u>		
<u>Fort Hays State University</u>		
Housing System Bond and Interest Sinking Fund	214,171.14	
<u>Kansas State University, Manhattan</u>		
Housing Systems Operation Fund	1,830,359.94	
Student Fee Revenue Fund	692,109.94	
Housing System Repair, Equipment and Improvement Fund	2,316,104.75	
Coliseum Repair, Equipment and Improvement Fund	213,214.37	
Student Recreation Building Repair, Equipment and Improvement Fund	82,477.53	
Stadium Repair, Equipment and Improvement Fund	58,412.83	
1985 Student Fee Revenue Refunding Bond Reserve Fund	300,000.00	
<u>Emporia State University</u>		
Men's Dormitory No. 3-Bond and Interest Sinking Fund	102,327.43	
Student Union Bond and Interest Sinking Fund	21,431.70	
Student Union Addition Bond and Interest Sinking Fund	159,481.73	
Men's Dormitory No. 2-Bond and Interest Sinking Fund	4,228.93	
Men's Dormitory No. 1-Building Maintenance and Equipment Reserve Fund	5,861.84	

Continued - Note 14

Schedule of Investments at June 30, 1987

	<u>Investments</u> <u>(Cost Basis)</u>	<u>Cash With Banks for</u> <u>Purchase of Investments</u>
Women's Dormitory No. 2-Maintenance and Equipment Fund	\$ 585.64	\$
Women's Dormitory No. 4-Maintenance and Equipment Reserve Fund	2,577.76	
Women's Dormitory No. 3 and Student Apartments-Maintenance and Equipment Reserve Fund	901.97	
<u>Pittsburg State University</u>		
Unit A Womens Dormitory & Food Service and Unit B Mens Dormitory Addition-Project Revenue Fund	208,030.71	
East Campus Apt. I & II, & Shirk Hall-Project Revenue Fund	5,000.00	
1962 Dormitory and Student Apartments-Revenue Fund	210,000.00	
1962 Dormitory and Student Apartments-Repair and Replacement Reserve Fund	66,403.36	
<u>University of Kansas</u>		
Student Union Renovation Fund	4,231,503.79	
Student Union Renovation Revenue Fund	180,069.75	
Housing System Bond and Interest Sinking Fund	2,000,000.00	
Housing System Repairs, Equipment and Improvement Fund	4,090,484.67	
Student Health Facility Maintenance Repair and Equipment Reserve	457,204.05	
Student Union Renovation Bond Reserve Fund	48,362.81	
<u>Wichita State University</u>		
On Campus Parking-Construction & Maintenance Fund	451,735.88	
1960 Dormitory Bond and Interest Sinking Fund	120,000.00	
On Campus Parking-Bond and Interest Sinking Fund	304,052.37	
Stadium-Bond and Interest Sinking Fund	70,036.25	
1960 Dormitory-Repair and Replacement Reserve Fund	22,321.34	
On Campus Parking-Major Maintenance Fund	293,145.53	
Stadium Maintenance Reserve Fund	7,850.68	
1976 Dormitory-Bond Reserve Fund	180,000.00	
1976 Dormitory-Maintenance Reserve Fund	35,084.00	
<u>Department of Health and Environment</u>		
Sewage Disposal Treatment-Revenue Bond Fund	0.00	9,863.63
Sewage Disposal Treatment-Bond and Interest Sinking Fund	863,682.00	181.04
Debt Service Reserve Fund	304,277.00	64.16
Total Enterprise Funds	<u>\$ 20,153,491.69</u>	<u>\$ 10,108.83</u>

Continued - Note 14

Schedule of Investments at June 30, 1987

	<u>Investments (Cost Basis)</u>	<u>Cash With Banks for Purchase of Investments</u>
<u>Trust and Agency Funds</u>		
<u>Department of Administration</u>		
*Self Insurance Reserve Fund	\$ 1,500,459.55	\$
*The investment amount for this fund is \$539,346.53 less than the amount per the records of the Pooled Money Investment Board because the Division of Accounts and Reports processed receipts in this amount as June, 1987 business and Pooled Money Investment Board recorded it as July, 1987 business.		
<u>Insurance Department</u>		
Health Care Stabilization Fund	33,391,627.72	
<u>Real Estate Commission</u>		
Real Estate Recovery Revolving Fund	146,930.11	
<u>State Treasurer</u>		
Stormont Library Permanent Fund	4,983.75	
University of Kansas-Humanities Building		
Bond and Interest Sinking Fund	585,001.62	
University of Kansas-Student Union Addition		
Bond and Interest Sinking Fund	287,928.09	
University of Kansas-Health Services Facilities		
Bond and Interest Sinking Fund	946,785.91	
University of Kansas-Student Union Annex		
Bond and Interest Sinking Fund	370,684.47	
University of Kansas-Satellite Union		
Bond and Interest Sinking Fund	1,089,021.02	
<u>Kansas State University, Manhattan</u>		
State Agricultural University Fund	1,350,494.03	
<u>Emporia State University</u>		
State Normal School Fund	263,611.47	
<u>University of Kansas</u>		
Permanent University Fund	339,735.94	
<u>Department of Corrections</u>		
Ellsworth Correctional Work Facility-		
Reserve Fund	1,197,375.00	
Total Trust and Agency Funds	\$ 41,474,638.68	
Total Investments (Cost Basis)	\$ 182,962,590.09	\$8,172,480.28

Schedule of Investments at June 30, 1987Investments  
(Accrual Basis)Trust and Agency FundsKansas Public Employees Retirement SystemKansas Public Employees RetirementSystem Fund

Temporary	\$ 322,709,007.84
Kansas Capital Fund	106,400,000.00
Accumulated Depr.-Capital Tower and Other	(2,138,208.89)
Common Stock	1,121,255,791.28
Preferred Stock	22,168,101.04
Small Business Admin. Guaranteed Loans	327,072.88
Bonds - Face	1,117,597,055.75
Premiums	20,313,361.71
Discounts	(88,941,237.98)
Mortgages	29,956,243.79
Contracts	7,035,973.00
Real Estate	113,917,821.72
Accrued Interest Purchased	1,917,343.76
Dividend Receivables	3,310,264.76
Interest Receivables	20,393,306.65
Receivables on Sale of Investments	20,249,544.48
Payables on Purchase of Investments	(41,323,890.47)
Other Payables	(899,663.47)
Mortgages (MGIC)	62,299,470.86
Capital Towers	12,048,639.92

Total Investments (Accrual Basis)

\$2,848,595,998.63  
~~~~~15. UNEMPLOYMENT CONTRIBUTIONS

The state of Kansas is a reimbursing employer as concerns unemployment contributions to the Employment Security Fund, and as such makes quarterly payments at a previously determined fiscal year rate. The fiscal year rate is expressed as a percentage of covered total wages and is the same for all state agencies for the fiscal year determined. Due to this method of contribution to the Employment Security Fund by the various state agencies, benefit payments made during a fiscal year to former state employees may exceed the state's computed available share of the fund balance and result in a negative balance or liability. It is also possible that benefit payments made during a fiscal year to former state employees may be less

than the state's computed available share of the fund balance and result in a positive balance or asset.

The fund reflects a positive balance of \$1,170,355.93 as of June 30, 1987. This balance includes the state's payment for the quarter ending June 30, 1987 in the amount of \$204,117.28 which was remitted July 30, 1987. This money was available in the Department of Administration's Unemployment Compensation Tax Clearing Fund but the payment had not been made to the Employment Security Fund as of June 30, 1987. Due to the financial reporting method currently employed by the state of Kansas, potential liabilities or cash assets in funds of this type are not

Continued - Note 15

recognized in the accompanying financial statements.

16. WORKERS' COMPENSATION

Effective July 1, 1974, the state provided for the statutory workers' compensation and medical payments of state employees injured in the line of duty by becoming self-insured. The State Workmen's Compensation Self-Insurance Fund was established at that time for the payment of claims and other costs associated with administering the program. An assessment rate is determined annually and applied to state agencies' payrolls. Monthly transfers are made from the several state agency operating funds to the State Workmen's Compensation Self-Insurance Fund. The assessment rate was .7% for state agency payrolls paid from

July 1, 1985 through June 30, 1987. The assessment rate has been increased to .84% for fiscal year 1988. The available balance of the fund was \$447,243.97 and the present value of future payments on reported claims is estimated at \$10,397,530 at June 30, 1987. It is estimated that of the \$10,397,530 in reported claims an amount of \$3,118,359.00 may be paid in the 1988 fiscal year with the remainder to be paid in future years. The entire amount of \$10,397,530 is reported in the General Long-Term Obligations Account Group (Section XI of this report).

17. CLAIMS AND JUDGMENTS

The state, its agencies and employees are parties to various legal proceedings and claims many of which normally recur in governmental operations. Numerous claims involve state warrants not timely presented for payment, property damages and losses by inmates of state institutions, employees or others and vendors providing goods or services for which payment or reservation of funds did not occur within the fiscal year in which such goods or services were provided. Based on historical experience, the amount of such claims is not material in amount.

Claims involving tort actions and other legal proceedings against the state, its agencies and employees have been filed. The ultimate dispositions and consequences of these proceedings cannot be presently determined, but in the opinion of the Attorney General there are no actions likely to have a material, adverse impact on the financial position of the affected funds of the state. A claim filed against

the Department of Social and Rehabilitation Services (SRS) by St. Francis Regional Medical Center of Wichita, Kansas for services provided to beneficiaries of the Medicaid program for the period from July 1, 1983 through June 30, 1986 was settled by agreement and order dated April 25, 1986. Under terms of the agreement and order, the Department of SRS is obligated to make payments totaling \$1,850,000 and complete its payment no later than June 30, 1988 for prior services rendered. During fiscal year 1987 payments were made totaling \$924,999.96 which leaves an outstanding balance at June 30, 1987 of \$925,000.04. This liability is reported in the General Long-Term Obligations Account Group (Section XI of this report).

Claims arising out of employment include worker compensation and unemployment. Further information on the unemployment compensation program is found in note 15 and the worker compensation program in note 16.

Continued

18. PROPERTY AND CASUALTY INSURANCE

State agencies are not allowed to purchase or carry insurance on any property owned by the state or its agencies except as expressly and specifically authorized by statute.

The exceptions authorized by statute are extremely limited in number and scope and are basically due to requirements of bond or trust agreements and Federal grants, and to the unique nature of some of the enterprise operations at the various Regents' institutions. The limited scope

of these exceptions makes them relatively immaterial in nature.

The state makes no provision for anticipated losses in the event of involuntary conversions: however, a portion of the Self-Insurance Reserve Fund and the State Emergency Fund balances could be utilized in the event of an emergency. The state has had no problem in resolving past losses through utilization of resources available at the time the loss occurred.

19. CONTINGENT LIABILITY FOR RAILROAD REHABILITATION LOAN GUARANTEE

During fiscal year 1984 the Kansas Secretary of Transportation, the Federal Railroad Administration and the Mid-States Port Authority executed a "Conditional Guarantee Agreement" which obligates the state under certain conditions. This agreement was entered into in order that monies could be loaned by the Administrator of the Federal Railroad Administration to the Mid-States Port Authority for the acquisition and rehabilitation of railroad facilities from the trustee of the Chicago, Rock Island and Pacific Railway Company. Pursuant to 505(h) of the Railroad Revitalization and Regulatory Act of 1976 the Federal Railroad Administrator agreed to purchase up to \$18,000,000 principal amount of notes issued by the Mid-States Port Authority and secured by a Mortgage and Trust Agreement. Kyle Railways, Inc. has entered into a guarantee agreement by which Kyle Railways, Inc. has guaranteed all obligations of the Mid-States Port Authority to the Federal Railroad Administrator and the stockholders of Kyle have pledged their outstanding shares to the Federal Railroad Administrator as partial consideration for the purchase of the notes by the Federal Railroad Administrator. In order that the Federal Railroad Adminis-

trator purchase the notes, the Kansas Secretary of Transportation partially and conditionally guaranteed such payment obligations of the Mid-States Port Authority. In the event of a default, the Kansas Secretary of Transportation agreed under certain conditions to pay to the Federal Railroad Administrator 50% of the loss to the Federal government on the balance of the notes including principal and interest less 50% of the net amount of any assets the Federal Railroad Administrator could collect from other parties that would be applied to the payment of the principal balance of the notes. The default payment by the Department of Transportation would be contingent upon appropriations by the Legislature to the Railroad Rehabilitation Loan Guarantee Fund.

The federal loan to Mid-States Port Authority passed through the State Treasury in the "State Railroad Planning and Assistance - Federal Fund". Expenditures in the amounts of \$12 million in fiscal year 1984, \$3.43 million in fiscal year 1985, and \$1.45 million in fiscal year 1986 were made from the "State Railroad Planning and Assistance - Federal Fund" to the Mid-

States Port Authority for the payment of federal loan monies received from the Federal Railroad Administration. This results in a total of \$16.88 million principal amount of issuance at June 30, 1987. Due to this Conditional Guarantee Agreement, if the Mid-States Port Authority would default, the state would have a contingent liability as of June 30, 1987 of \$8.44 million less 50% of the net assets the Federal Administrator could collect from other parties that would be applied to the payment of the principal balance of the

notes. The Trust Account of Mid-States Port Authority reflected that the minimum Revenue Fund balance of \$2,422,000 was met on May 31, 1987. The first principal payment for repayment of the loan is not due for five years from the date of the original issuance and for five years only principal payments in the amount of 1/10 of the issuance amount are due. Interest begins to accrue ten years after the date of the original issuance at a rate of 15.0984%.

20. CONTINGENT LIABILITY FOR FEDERAL GRANT REIMBURSEMENTS

Federal grant programs are subject to compliance review and audit by the grantor or a cognizant agent. If expenditures are disallowed, reimbursement to the federal agency may be required. Confirmation with

state agencies administering federal grant funds as of June 30, 1987, disclosed that the amount of disallowances, if any, will be immaterial.

21. ACCRUED LIABILITY FOR RETIREMENT CONTRIBUTIONS FOR CERTAIN SCHOOL EMPLOYEES

The employers' contributions for retirement purposes of the employees of the several public school districts, educational cooperatives, area vocational-technical schools and community junior colleges in Kansas is a statutory obligation assumed by the state. Transfers from the State General Fund to the Kansas Public Employees Retirement Fund occur in the quarter following the quarter of accrual. The 1987 Legislature passed legislation that deferred the transfer of the amount due for the quarter of January 1 through March 31, 1987 until July 1, 1987 and provided for

the transfer of interest on the amount due from the date that the payment would have been made until the date that the payment was made. On July 1, 1987, \$11,203,127.43 "For Employers' Contributions" and \$182,885.43 for interest thereon was to be transferred. The estimated liability for the quarter of April 1 through June 30, 1987 is \$11,186,884. At June 30, 1987, an accrued estimated liability of \$22,572,897 representing the amounts listed above, is recognized and reflected in the State General Fund Balance Sheet.

22. LONG-TERM BONDED INDEBTEDNESS

The state of Kansas has no general obligation bonds outstanding. Statutory authority has been granted for the issuance of

revenue bonds payable from user fees to the Board of Regents for academic and hospital facilities, student unions, dormitories and

athletic facilities; to the Department of Transportation for state freeway construction; to the Department of Health and Environment for sewage treatment facilities; to the Department of Administration for the purpose of office facilities; to Fish and Game Commission for a fish hatchery; and to the Kansas Water Office for reservoir projects or the purchase of storage in existing reservoirs. The revenue bonds outstanding are reported as "Bonds Payable" in the Balance Sheets with

the details of bonds outstanding reported in the General Long-Term Obligations Account Group. Issuance of additional revenue bonds is subject to specific legislative approval. For additional information on long-term debt, see notes 23, 24, 25, 26, 27 and 28 of this section and see Section XI, "General Long-Term Obligations Account Group". Following is a schedule of the revenue bond indebtedness for the Enterprise Funds:

SCHEDULE OF REVENUE BOND INDEBTEDNESS BY ENTERPRISE FUNDS
(EXPRESSED IN THOUSANDS)

| DESCRIPTION OF DEBT/DATE/AMOUNT
ISSUED BY AGENCY | FUTURE YR.
MATURITIES | INT.
RATE (%) | BEG.
BALANCE | PRINCIPAL
PAID FY 87 | OUTSTANDING
JUNE 30, 1987 |
|---|--------------------------|------------------|-----------------|-------------------------|------------------------------|
| <u>Fort Hays State University</u>
K.S.A. Ch. 76, Art. 6a | | | | | |
| Housing System Revenue
Issued Oct. 1, 1962
\$2,731 | 1988-2003 | 2.75 to
3.375 | 1,482 | 80 | 1,402 |
| Issued Oct. 1, 1963
\$636 | 1988-2003 | 3.625 | 373 | 15 | 358 |
| Issued Aug. 1, 1968
\$1,050 | 1988-2003 | 3.00 to
5.00 | 580 | 40 | 540 |
| Issued Feb. 1, 1969
\$1,825 | 1988-1994 | 5.00 to
5.375 | 845 | 90 | 755 |
| <u>Department of Health and Environment</u>
K.S.A. Ch. 12, Art. 37 | | | | | |
| Sewage Treatment Construction
Issued June 1, 1974
\$1,260 | 1988-1994 | 5.30 to
5.50 | 670 | 70 | 600 |
| Issued Dec. 1, 1976
\$2,255 | 1988-1996 | 5.10 to
5.75 | 1,440 | 110 | 1,330 |

Continued - Note 22

SCHEDULE OF REVENUE BOND INDEBTEDNESS BY ENTERPRISE FUNDS
(EXPRESSED IN THOUSANDS)

| DESCRIPTION OF DEBT/DATE/AMOUNT
ISSUED BY AGENCY | FUTURE YR.
MATURITIES | INT.
RATE (%) | BEG.
BALANCE | PRINCIPAL
PAID FY 87 | OUTSTANDING
JUNE 30, 1987 |
|--|--------------------------|------------------|-----------------|-------------------------|------------------------------|
| <u>Kansas State University</u> | | | | | |
| K.S.A. Ch. 76, Art. 6a | | | | | |
| Housing System Operations
Issued Aug. 1, 1985
\$5,095 | 1988-2005 | 6.00 to
8.90 | 4,985 | 155 | 4,830 |
| Student Fee Revenue Bonds
Issued Dec. 1, 1985
\$3,840 | 1988-1995 | 6.35 to
7.90 | 3,645 | 495 | 3,150 |
| Issued Nov. 1, 1986
\$2,000 | 1988-1993 | 4.70 to
5.25 | 2,000 | 20 | 1,980 |
| <u>Emporia State University</u> | | | | | |
| K.S.A. Ch. 76, Art. 6a | | | | | |
| Men's Residence Hall No. 2
Issued May 1, 1957
\$150 | Prepaid | 2.75 | 58 | 46 | 0 (a) |
| Women's Dormitory No. 2
Issued Nov. 1, 1959
\$250 | Prepaid | 3.125 | 125 | 96 | 0 (a) |
| Women's Residence Hall No. 3
Issued Oct. 1, 1961
\$1,300 | Prepaid | 2.85 to
3.375 | 666 | 519 | 0 (a) |
| Student Union Annex
Issued Oct. 1, 1961
\$500 | Prepaid | 2.875 to | 72 | 69 | 0 (a) |
| Women's Dormitory No. 4
Issued Apr. 1, 1962
\$225 | Prepaid | 2.75 to
3.625 | 163 | 125 | 0 (a) |
| Men's Residence Hall No. 2
Issued May 1, 1964
\$275 | 1988 | 3.625 | 161 | 110 | 8 (a) |

Continued - Note 22

SCHEDULE OF REVENUE BOND INDEBTEDNESS BY ENTERPRISE FUNDS
(EXPRESSED IN THOUSANDS)

| DESCRIPTION OF DEBT/DATE/AMOUNT
ISSUED BY AGENCY | FUTURE YR.
MATURITIES | INT.
RATE (%) | BEG.
BALANCE | PRINCIPAL
PAID FY 87 | OUTSTANDING
JUNE 30, 1987 |
|--|--------------------------|------------------|-----------------|-------------------------|------------------------------|
| Men's Reswidence Hall No. 3
Issued Apr. 1, 1969
\$1,515 | 1988-2009 | 3.00 to
7.125 | 1,085 | 40 | 1,045 |
| Student Union Addition
Issued Apr. 1, 1970
\$1,200 | 1988-2000 | 6.75 to
7.25 | 830 | 35 | 795 |
| <u>Pittsburg State University</u>
K.S.A. Ch. 76, Art. 6a | | | | | |
| Men's Residence Hall No. 3
Issued Oct. 1, 1955
\$125 | Retired | 3.50 | 6 | 6 | 0 |
| Married Students Apartments 1 and 2
and Men's Dormitory No. 4
Issued Oct. 1, 1956
\$400 | 1988-1997 | 2.75 | 161 | 13 | 148 |
| Student Union Addition
Issued Oct. 1, 1961
\$714 | Prepaid | 3.50 | 211 | 193 | 0 (b) |
| Women's Dormitory and Food Service -
Men's Dormitory Addition
Issued Apr. 1, 1965
\$1,250 | 1988-2005 | 3.75 | 809 | 30 | 779 |
| Dormitory and Married Students
Apartments
Issued Oct. 1, 1962
\$1,182 | 1988-2002 | 2.75 to
3.50 | 618 | 33 | 585 |
| <u>University of Kansas</u>
K.S.A. Ch. 76, Art. 6a | | | | | |
| Housing System Revenue
Issued Apr. 1, 1964
\$6,769 | 1988-2004 | 2.75 to
3.75 | 1,920 | 80 | 1,840 |
| Student Union Renovation
Issued Jan. 1, 1987
\$3,500 | 1988-1997 | 5.20 to
8.00 | 3,500 | 0 | 3,500 |

Continued - Note 22

SCHEDULE OF REVENUE BOND INDEBTEDNESS BY ENTERPRISE FUNDS
(EXPRESSED IN THOUSANDS)

| DESCRIPTION OF DEBT/DATE/AMOUNT
ISSUED BY AGENCY | FUTURE YR.
MATURITIES | INT.
RATE (%) | BEG.
BALANCE | PRINCIPAL
PAID FY 87 | OUTSTANDING
JUNE 30, 1987 |
|---|--------------------------|------------------|-----------------|-------------------------|------------------------------|
| <u>Wichita State University</u>
K.S.A. Ch. 76, Art. 6a | | | | | |
| Student Union Revenue
Issued Feb. 1, 1958
\$1,700 | 1988-1997 | 2.875 | 662 | 54 | 608 |
| Student Housing Revenue
Issued Oct. 1, 1960
\$1,012 | 1988-2001 | 2.75 to
3.00 | 404 | 36 | 368 |
| Student Union Revenue
Issued May 1, 1967
\$1,800 | 1988-1999 | 4.00 to
4.50 | 1,030 | 65 | 965 |
| Stadium Addition Revenue
Issued July 1, 1969
\$750 | 1988-1989 | 4.625 to
5.00 | 200 | 50 | 170 |
| Dormitory Revenue
Issued June 1, 1976
\$1,400 | 1988-1996 | 6.20 to
6.75 | 975 | 65 | 910 |
| Total Enterprise Funds Revenue Bond Indebtedness (c) | | | <u>29,696</u> | <u>2,740</u> | <u>26,666</u> |

- (a) These bonds were prepaid in accordance with the Higher Education Amendments of 1986, Public Law 99-496. Bonds totaling \$1,237,000 were paid off for \$964,368 resulting in savings of \$272,632.
- (b) These bonds were prepaid in accordance with the Higher Education Amendments of 1986, Public Law 99,496. Bonds totaling \$211,000 were paid off for \$193,214 resulting in savings of \$17,786.
- (c) The defeased bonds which were previously reported are fully defeased and are no longer reported.

23. SEWAGE TREATMENT CONSTRUCTION GRANT REVENUE BONDS

The 1973 Kansas Legislature authorized the Kansas Secretary of Health and Environment to issue revenue bonds, not to exceed \$20 million, for the purpose of providing

grants to political subdivisions for the construction of sewage disposal facilities. Revenue bonds were issued during the 1974 and 1977 fiscal years totaling \$3,515,000

with maturities extending to the mid-1990's. The bond principal and interest are payable solely from sewer service charges imposed by the Secretary of Health and Environment and collected in accordance with grant agreements entered into with the political subdivisions. These revenues had been pledged and assigned to a trustee bank under terms of the bond issue. In conjunction with these bond issues, the state was required to transfer to a bond reserve fund an amount equal to the maximum annual debt service requirements. To satisfy this

requirement, the 1973 Legislature appropriated \$1,500,000 from the State Self-Insurance Reserve Fund and created a first claim and lien of this amount for the debt service reserve obligations related to the Sewage Treatment Construction Grant Revenue Bonds. Through June 30, 1987, two transfers totaling \$302,675 were made during the 1974 and 1977 fiscal years from the State Self-Insurance Reserve Fund to the respective Debt Service Reserve Funds. For additional information, see note 22.

-24. WATER SUPPLY STORAGE IN FEDERAL RESERVOIRS

The Kansas Water Office has executed nine agreements to reimburse the Federal Government for the added cost incurred in providing water storage capacity in federal flood control reservoirs as permitted by the Federal Water Supply Act of 1958. In addition, assurances have been made to the federal government that the state would participate in additional federal flood control reservoirs to provide water storage capacity to meet anticipated future needs of the people of the state of sufficient supplies of water. Under the federal act, the costs of construction allocated to water storage capacity in federal flood control reservoirs are to be repaid by the state within a 50 year period or the life of the reservoir (whichever is shorter), beginning with the date the state first uses or exercises control of the storage space. All future use storage space repayments are subject to a 10-year interest-free period. Immediate use portions of any reservoir (the storage space in excess of the 30% allowed under the 1958 Federal Water Supply Act) must be paid for over 50 years beginning with the completion of the reservoir. Under five of

the nine contracts, the state has the option to use or exercise control of the future use portion of storage incrementally and to defer payment of principal and interest until the future use storage space is called into use. Provision for raising funds for the payment of additional construction costs for federal flood control facilities for water storage capacity, interest on debt, operating and maintenance cost charged to the state has been made by providing for the sale of water to municipal and industrial users. Agreements with 21 municipal and industrial water users raised \$921,710.16 in FY 1987 to defray a portion of the \$1,270,527.49 in payments required under these agreements. The total principal amount recorded at June 30, 1987 and due the federal government is 17.9 million. Principal payments have been deferred on an additional total principal balance of \$46 million as of June 30, 1987 on future use storage space that has not been called into use. Additional information and details concerning the debt principal are contained in Exhibit G, Section XI, General Long-Term Obligations Account Group.

Continued

25. OUTSTANDING LOANS

25A. DEPARTMENT OF ADMINISTRATION FOR PURCHASE OF LONDON STATE OFFICE BUILDING FACILITY

A loan of \$11,245,000 to the Department of Administration by the State Pooled Money Investment Board was made from the common cash pool of the State Treasury on March 11, 1983 for the purchase of the London State Office Building Facility at 900 Jackson Street, Topeka, Kansas. Loan terms provide for the payment of interest at a rate of 7.9% on the outstanding principal. The first interest payment in the amount of \$3,088,554.78 covering the period from March 11, 1983 through August 31, 1986 was

paid on September 1, 1986. The first principal payment is due September, 1987 in the amount of \$562,250 plus accrued interest. A principal payment of \$562,250 plus accrued interest is payable on July 1, 1988 and on each July 1 thereafter through July 1, 2006. The loan principal and accrued interest is payable from rental charges imposed upon state agencies occupying space in the facility. The outstanding loan balance at June 30, 1987, is \$11,245,000.00.

25B. DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES FOR ADULT CARE HOMES LAWSUIT SETTLEMENT

A loan in the amount of \$12,000,000 was made to the Department of Social and Rehabilitation Services by the State Pooled Money Investment Board from the common cash pool of the State Treasury for settlement of the case filed by nursing homes (Country Club Home, Inc. et al v. Robert C. Harder, as Secretary of Social and Rehabilitation Services, Case No. 81-EV-1041, District Court of Sedgwick County, Kansas). The loan amount was transferred to the Adult Care Homes Lawsuit Settlement Fund on June 30, 1985. Terms of the loan agreement provide for interest to be paid at a rate of 8.18% from the date the proceeds are withdrawn from the State Treasury which

occurred on July 11, 1985. The loan principal and interest is to be paid on or before July 1, 1988. The state received \$4,157,348 of the loan amount from the federal government during fiscal year 1986 as reimbursement of the amount paid in settlement of the lawsuit and this was applied to the loan principal. The balance of the principal and interest on the loan is expected to be paid in fiscal year 1988 from the State General Fund. The outstanding loan balance at June 30, 1987 is \$7,642,652.00. (See Exhibit E of the General Long-Term Obligations Account Group, Section XI).

25C. DEPARTMENT OF ADMINISTRATION FOR CONSTRUCTION OF A STATE PRINTING PLANT

Loans in the amount of \$3,856,900 were made to the Department of Administration by the State Pooled Money Investment Board from the common cash pool of the State Treasurer for the construction of a new printing plant to replace an existing facility. The loan amount was reduced to \$3,571,900 by the return of \$285,000 of unused funds to

the State Pooled Money Investment Board. The interest is fixed at the rate paid on inactive bank accounts. Commencing in the 1986 calendar year, the loan principal and accrued interest is to be paid annually for a period of not more than 25 years. The loan principal and interest is payable from revenues derived from charges for printing

services provided to state agencies. The outstanding loan balance at June 30, 1987 is \$3,371,900.00.

25D. DEPARTMENT OF CORRECTIONS FOR PURCHASE
OF PROPERTY IN JEFFERSON COUNTY

In May, 1986 the State Pooled Money Investment Board loaned from the common cash pool of the State Treasury \$175,000 to the Department of Corrections. This loan was authorized to purchase certain property located in Jefferson County. The rate of interest is to be adjusted annually on the anniversary date of the loan at a rate equal to the rate to be paid on inactive bank accounts of the state. The loan principal and interest is to be repaid at

least annually for a period of not more than 10 years. The amounts shall be recomputed each year to reflect the revised rate and shall be based on a total original amortization period of 10 years. The loan principal and interest is to be payable solely from revenues credited to the Correctional Industries Fund or as otherwise provided by law. The outstanding loan balance at June 30, 1987 is \$162,273.30.

25E. STATE BOARD OF REGENTS FOR ANIMAL RESEARCH FACILITY
AT THE UNIVERSITY OF KANSAS MEDICAL CENTER

To construct and equip a facility for the care of and clinical research on animals at the University of Kansas Medical Center, State Pooled Money Investment Board loaned \$4,300,000 from the common cash pool of the State Treasury on December 15, 1986. Commencing on the loan date, the loan is to bear interest at the rate equal to the rate to be paid on inactive bank accounts of the state as of January 1, 1986. Thereafter each year the rate of interest is to be fixed on January 1 at a rate equal to the rate to be paid on inactive bank accounts of the state effective on such date. The principal and interest payments are to be repaid annually over a period of 20 years

starting on the first day of the twelfth month after the loan date. The repayment amounts are to be recalculated each year to reflect the revised interest rate and are to be calculated on a substantially level payment basis based on a total original amortization period of 20 years. The loan principal and interest shall be paid solely from monies credited to and available in the Animal Research Facility Debt Service Fund or as otherwise provided by law. At June 30, 1987 the outstanding loan balance was \$4,300,000.00. (See Exhibit E of the Long-Term Obligations Account Group, Section XI).

25F. DEPARTMENT OF ADMINISTRATION FOR RENOVATION OF
THE LONDON STATE OFFICE BUILDING FACILITY

To provide for the payment of the costs of making renovations to the Landon State Office Building Facility, the State Pooled Money Investment Board loaned from the common cash pool of the State Treasury \$4,530,000 to the Department of Adminis-

tration. Commencing on January 1, 1988, the loan shall bear interest and the rate of interest shall be fixed each January 1 at a rate equal to the rate to be paid on inactive bank accounts of the state on such date. The principal and interest payments

Continued - Note 25F

are to be repaid annually' in the month of March starting in 1988 over a period of 15 years. The repayment amounts are to be recomputed each year to reflect the revised interest rate and are to be calculated on a

substantially level payment basis based on a total original amortization of 15 years. At June 30, 1987 the outstanding loan balance was \$4,530,000.00.

25G. LOAN AUTHORIZATION TO KANSAS WATER OFFICE FOR
WATER SUPPLY STORAGE

To provide earnest money required as part of a memorandum of understanding between the state of Kansas and the United States department of army concerning the purchase of municipal and industrial water supply storage, the State Pooled Money Investment Board is authorized to loan from the common cash pool of the State Treasury \$4,000,000

to the Kansas Water Office. Commencing on the loan date, the loan shall bear interest equal to the amount of interest in the water supply storage assurance fund. The interest payments are to be repaid annually and the principal and interest on the loan shall be paid in full on July 1, 1996.

25H. SCHEDULE OF LOANS OUTSTANDING
(EXPRESSED IN THOUSANDS)

| <u>DESCRIPTION OF DEBT/DATE/AMOUNT
ISSUED BY AGENCY</u> | <u>FUTURE YR.
MATURITIES</u> | <u>INT.
RATE (%)</u> | <u>BEG.
BALANCE</u> | <u>PRINCIPAL
PAID FY 87</u> | <u>OUTSTANDING
JUNE 30, 1987</u> |
|---|----------------------------------|--------------------------|-------------------------|---------------------------------|--------------------------------------|
| <u>Intragovernmental Service Funds</u> | | | | | |
| <u>Department of Administration</u> | | | | | |
| State Buildings Operating
Fund - 900
Jackson Street (Landon
State Office Building) Purchase
March 11, 1983 (K.S.A. 75-3650)
\$11,245 | 1988-2007 | 7.90 | 11,245 | 0 | 11,245 |
| Santa Fe Office Building
Renovation Fund
July 11, 1986 (K.S.A. 75-3678)
\$4,530 | 1988-2002 | Adjusted
Annually | 4,530 | 0 | 4,530 |
| <u>Department of Administration-
Division of Printing</u> | | | | | |
| Intragovernmental Printing
Service Fund-
Printing Plant Construction
Loan
July, 1984 (K.S.A. 75-3676)
\$3,857 | 1988-2010 | Adjusted
Annually | 3,572 | 200 | 3,372 |

SCHEDULE OF LOANS OUTSTANDING
(EXPRESSED IN THOUSANDS)

| DESCRIPTION OF DEBT/DATE/AMOUNT
ISSUED BY AGENCY | FUTURE YR.
MATURITIES | INT.
RATE (%) | BEG.
BALANCE | PRINCIPAL
PAID FY 87 | OUTSTANDING
JUNE 30, 1987 |
|---|--------------------------|----------------------|-----------------|-------------------------|------------------------------|
| <u>Intragovernmental Service Funds (Cont'd.)</u> | | | | | |
| <u>Department of Corrections-</u> | | | | | |
| <u>Correctional Industries</u> | | | | | |
| Correctional Industries Fund- 1988-1996
Real Estate Acquisition
May, 1986 (K.S.A. 75-52,119)
\$175 | | Adjusted
Annually | 175 | 13 | 162 |
| Total | | | | | <u>\$19,309</u>
~~~~~ |

26. BOND DEFEASANCE

During fiscal year 1983 the Board of Regents entered into trust agreements with the State Treasurer to defease the University of Kansas' Humanities Building Revenue Bonds, Student Union Additional Revenue Bonds, Student Health Facility Revenue Bonds, Student Union Annex Revenue Bonds and Satellite Student Union Building Revenue Bonds. These bonds were defeased by transferring amounts to the State Treasurer sufficient to purchase direct U. S. Government Obligations to be held in trust by the Trustee (State Treasurer) in order to make payments of the bond principal and interest when due. Monies were transferred and the State Treasurer acting as Trustee and acting through the State Pooled Money Investment Board acquired direct U.S. Government Obligations with such transferred amounts. Non-Expendable Trust Funds in the Trust and Agency class of funds were established for the State Treasurer to account for the money transferred for the bond defeasance, to record the investment in the direct U.S. Government Obligations and to record the payment by the State Treasurer to the Fiscal Agency Fund of the principal and interest payments to the holders of the bonds.

During fiscal year 1984 the Kansas Fish and Game Commission defeased the Fish Hatchery Gross Revenue Bonds, Series 1982 by issuing Refunding Bonds, and transferring amounts to the Trustee, Central National Bank, Junction City, Kansas (see Note 27).

During fiscal year 1985 Wichita State University defeased the Academic and Service Building Revenue Bonds, Series 1971 by issuing the Academic and Service Building Refunding Revenue Bonds, Series 1984 and transferring amounts to the Escrow Trustee, The Southwest National Bank of Wichita. Per the Escrow Trust Agreement the escrowed securities and monies with the escrow trustee in the Escrow Trust Account should be sufficient to make all principal and interest payments on the bond payment dates for the 1971 Academic and Service Building Revenue Bonds. This agreement also provides that the Escrow Trustee, rather than making these principal and interest payments, transfers the monies for the principal and interest payments to Wichita State University's 1971 Academic and Service Building Bond and Interest Sinking Fund. This defeased debt has the interest and principal payments processed

in the 1971 Academic and Service Building Bond and Interest Sinking Fund.

During fiscal year 1985 Wichita State University also defeased the Library Revenue Bonds of 1960, Series B by issuing the Library Refunding Revenue Bonds, Series A, 1985 and transferring amounts to the Escrow Trustee, The Southwest National Bank of Wichita. Per the Bond Resolution and Escrow Trust Agreement the proceeds of the Series A, 1985 Bonds together with the other available funds were deposited into the Escrow Trust Account sufficient to purchase certain Government Securities to provide for the payment of the Series B, 1960 Bonds. The Escrow Trust Agreement also provides that the Escrow Trustee transfers the monies for the principal and interest payments to the 1960 Library Bond and Interest Sinking Fund. The bond payments for this defeased debt is then processed in this fund in the Central Accounting System for Kansas.

During fiscal year 1985, the Department of Transportation defeased the outstanding Highway Bonds by issuing Highway Refunding Bonds, Series 1985 and transferring monies from the State Freeway Fund and Sinking Fund to the Escrow Fund of the Escrow Trustee, Bank IV Topeka, N.A. (formerly the First National Bank of Topeka, Kansas). The monies in the Escrow Fund are to be invested per the trust agreement in certain United States Treasury Obligations, State and Local Government Series and U.S. Obligations in order to transfer sufficient amounts on the necessary dates from the Escrow Fund to the paying agents for the payment of the principal and interest on the outstanding Highway Bonds that were defeased. The Escrow Fund is outside the State Treasury and is not recorded in the Central Accounting System for Kansas.

During fiscal year 1986, the Department of Transportation defeased the outstanding Highway Refunding Bonds, Series 1985 by issuing Highway Refunding Bonds, Series

1985A and transferring monies from funds of the Secretary of Transportation to the Escrow Trustee, the Security Bank of Kansas City, in the City of Kansas City, Kansas. The monies in the Escrow Fund of the Escrow Trustee are to be invested per the trust agreement in certain State and Local Government Series Obligations and United States Obligations in order to pay in the sufficient amounts on the necessary dates the principal and interest payments on the defeased Highway Refunding Bonds Series 1985. The escrow Fund is outside the State Treasury and is not recorded in the Central Accounting System for Kansas.

During fiscal year 1986, Kansas State University defeased Housing System Revenue Bonds, Series 1962, Series 1964-D, Series 1964-E, Series 1964-G, Series 1965 and Series 1966 by issuing Housing System Revenue Refunding Bonds and transferring amounts to the Escrow Trustee, Bank IV Topeka, N.A. (formerly First National Bank of Topeka). Per the Bond Resolution and the Escrow Trust Agreement proceeds from the refunding bond issue together with other available monies are sufficient to purchase certain government securities to provide for the payment of the outstanding Housing Revenue Bonds defeased. The Escrow Trust Agreement sets forth the specific investments of the Escrow Trust Account in United States Treasury Obligations - State and Local Government Series and United States Treasury Obligations - Open Market Obligations. The bond payments for the defeased debt are being recorded in the Central Accounting System for Kansas.

During fiscal year 1986, Kansas State University also defeased the Student Union Annex Revenue Bonds, Series 1961, the Stadium Revenue Bonds, Series 1967, the Student Union Annex II Revenue Bonds, Series 1968, and the Student Recreational Building Revenue Bonds, Series 1977 by issuing Student Fee Revenue Refunding Bonds, Series 1985 that were deposited with the Escrow Trustee, Bank IV Manhattan

(formerly the First National Bank of Manhattan), Manhattan, Kansas. Per the Bond Resolution and Escrow Trust Agreement from proceeds of the refunding bond issues a sum sufficient to purchase certain Government Securities to provide for the payments of the outstanding defeased bonds are to be deposited in the Escrow Trust Account. The bond payments on the defeased debt are being recorded in the Central Accounting System for Kansas.

During fiscal year 1986, the University of Kansas Medical Center defeased the Parking Facility Revenue Bonds, Series 1978 and the Hospital Revenue Bonds, Series 1976 (Clinical Facility) by issuing Parking Facility Refunding Revenue Bonds, Series 1985 and by issuing the University of

Kansas Medical Center Hospital Refunding Revenue Bonds. The bond resolutions from both of the refunding issues provided that Escrow Trust Accounts be established with the Escrow Trustee, the Security Bank of Kansas City, Kansas City, Kansas. Per the bond resolutions and the trust agreements for each refunding issue, the bond proceeds together with other available monies are to be deposited in the Escrow Trust Account and the sum of which is sufficient to purchase certain Government Securities to provide for the payments on the defeased bonds. The bond payments on the defeased debt are being recorded in the Central Accounting System for Kansas.

None of the defeased bonds appear in the balance sheets for fiscal year 1987.

27. FISH HATCHERY REVENUE BONDS

The Kansas Fish and Game Commission was authorized by the 1982 Session of the Legislature to issue revenue bonds to finance construction of a fish hatchery in Geary County, Kansas. The Commission issued \$6,000,000 of Fish Hatchery Gross Revenue Bonds, Series 1982. The outstanding balance of the 1982 Series bonds in the amount of \$5,820,000 was subsequently defeased by the issuance of \$4,650,000 Gross Revenue Refunding Bonds, Series 1984. Monies together with interest to be earned on obligations of the government of the United States were transferred in a sufficient amount to a trustee bank to

satisfy the debt service requirements of the 1982 Series bonds.

Revenues for the payment of the outstanding bond principal and accrued interest costs are provided by the sale of fish hatchery stamps which are affixed to all fishing licenses issued by the Kansas Fish and Game Commission.

Additional information concerning the outstanding principal debt, interest rates and dates of maturity is reflected in the General Long-Term Obligations Account Group (Section XI).

28. CERTIFICATE OF PARTICIPATION FINANCING

During fiscal year 1985 the state of Kansas entered into two lease with option to purchase agreements with funding provided by a third party issuance of certificates of participation. The first agreement made in October, 1984 was between the Department of Administration, Division of Information Systems and Communications and Public

Leasing Corporation to refinance computer systems equipment and information processing equipment and included 48 monthly rental payments commencing on November 1, 1984 in the amount of \$40,925 plus \$175 for the insurance premium. The payments made on these contracts were capitalized at the time of payment.

Continued - Note 28

The second agreement made in June, 1985 between the University of Kansas Medical Center and Public Leasing Corporation included 60 monthly rental payments of \$39,080 commencing on July 15, 1985 for a nuclear magnetic resonance imaging system. The principal balance at June 30, 1987 was \$1,299,464.

The state is responsible only for payments under the lease purchase agreements which are subject to appropriations by the Legislature. Both contract agreements give legal title of the equipment to the state during the term of the lease and so long as the state is not in default under the agreement and require the state to maintain adequate insurance coverage for the designated equipment. The agreements also had an option to purchase clause on any payment date for a stated purchase option price with the property belonging to the state after the last payment date.

During fiscal year 1986 the state of Kansas issued the 1985 Certificates of Participation in the principal amount of \$29,470,000. Monies from this issue were used to exercise on November 1, 1985 the purchase option price with Public Leasing Corporation for the computer systems equipment and information processing equipment. Monies were also used to refinance other equipment and to purchase new equipment for state agencies. During

fiscal year 1987 the state of Kansas issued the 1986 Certificates of Participation in the principal amount of \$35,720,000. Principal payments were made during fiscal year 1987 in the amount of \$28,470,000 on the 1985 Certificates of Participation and \$1,995,000 on the 1986 Certificates of Participation leaving outstanding principal balances of \$0.00 and \$33,725,000 respectively. The agencies make payments for the equipment to the Department of Administration Certificates of Participation funds which are used in connection with the State of Kansas Certificates of Participation financing. The agencies payments are capitalized at the time of payment. The purchases of the equipment from the Certificates of Participation funds are not capitalized in the Central Accounting system for Kansas. Additional information and details concerning the debt principal for the Certificates of Participation financing are contained in Section XI, General Long-Term Obligations Account Group. The obligations of the state for the 1986 Certificates of Participation issuance are reflected in the financial statements but the agencies obligations to the Certificate of Participation funds are not reflected. Following are Department of Administration Certificates of Participation financial statements in connection with the Certificates of Participation issues.

1985 Certificates of Participation
Statement of Revenues and Expenses
For the Period
October 30, 1985 - September 30, 1986

Revenues:

| | |
|------------------------------|------------------|
| Agency Receivables Collected | |
| Refinanced Equipment | 3,672,171.16 |
| New Equipment | 265,049.35 |
| Telecommunications Equipment | <u>46,961.51</u> |
| Total Receivables Collected | 3,984,182.02 |

Interest Earnings

| | |
|-------------------------|------------------|
| Acquisition Fund | 1,033,267.44 |
| Clearing Fund | 78,299.78 |
| Lease Payment Fund | 21,109.05 |
| Reserve Fund | 343,610.55 |
| Redemption Account | <u>57,520.40</u> |
| Total Interest Earnings | 1,533,807.22 |

Transfers to 1986 Issue

| | |
|---|-----------------------|
| Refinanced Equipment at Present Value | 4,635,000.00 |
| Less: Cost of Equipment Transferred | (8,073,839.40) |
| New Equipment at Present Value | 1,296,970.00 |
| Less: Cost of Equipment Transferred | (1,422,543.23) |
| Telecommunications Equipment at Present Value | 2,605,554.38 |
| Less: Cost of Equipment Transferred | <u>(2,605,554.38)</u> |
| Net Transfers to 1986 Issue | (3,564,412.63) |
| Total Revenues | 1,953,576.61 |

Expenses:

| | |
|-----------------------------|---------------------|
| Cost of Issuance | 124,631.66 |
| Administrative Expenses | 40,442.48 |
| Interest Expense | 1,927,865.89 |
| Discount | 361,034.85 |
| Premium on Early Redemption | <u>259,375.68</u> |
| Total Interest Expense | 2,548,276.42 |
| Total Expenses | <u>2,713,350.56</u> |

Revenues Over Expenses

(759,773.95)

(Amount Transferred from 1986 Issue)

~~~~~

## Transfers from 1986 Issue:

Prepaid Expenses	617,000.62
Premium on Investment	129,028.09
Payoff of Issue	<u>13,745.24</u>

Total Transfers from 1986 Issue

759,773.95

~~~~~

1985 Certificates of Participation
Statement of Sources and Uses of Funds
For the Period
October 30, 1985 - September 30, 1986

Sources:

| | |
|---|---------------------|
| Certificate Proceeds | 29,280,126.76 |
| Agency Receivables Collected | |
| Refinanced Equipment | 3,672,171.16 |
| New Equipment | 265,049.35 |
| Telecommunications Equipment | <u>46,961.51</u> |
| Total Receivables Collected | 3,984,182.02 |
| Agency Early Buy-Out Collected for Oct., 1986 | 4,274.32 |
| Interest Earnings | |
| Acquisition Fund | 1,033,267.44 |
| Clearing Fund | 78,299.78 |
| Lease Payment Fund | 21,109.05 |
| Reserve Fund | 343,610.55 |
| Redemption Account | <u>57,520.40</u> |
| Total Interest Earnings | 1,533,807.22 |
| Transfers to 1986 Issue | |
| Refinanced Equipment at Present Value | 4,635,000.00 |
| New Equipment at Present Value | 1,296,970.00 |
| Telecommunications Equipment at Present Value | <u>2,605,554.38</u> |
| Total Transfers to 1986 Issue | 8,537,524.38 |
| Transfers from 1986 Issue | |
| Prepaid Expenses | 617,000.62 |
| Premium on Investment | 129,028.09 |
| Payoff of Issue | <u>13,745.24</u> |
| Total Transfers from 1986 Issue | 759,773.95 |

Total Sources

44,099,688.65

Uses:

| | |
|---|---------------------|
| Purchases of Equipment-Refinanced | 8,073,839.40 |
| Purchases of Equipment-New | 1,422,543.23 |
| Purchases of Equipment-Telecommunications | <u>2,605,554.38</u> |
| Total Purchases of Equipment | 12,101,937.01 |
| Cost of Issuance | 124,631.66 |
| Administrative Expenses | 40,442.48 |
| Semi-Annual Lease Payments | 5,204,027.50 |
| Early Redemption of Issue | 26,365,000.00 |
| Premium on Early Redemption | <u>263,650.00</u> |
| | 31,997,751.64 |

Total Uses

44,099,688.65

Total Sources over Uses

0.00

~~~~~

1986 Certificates of Participation  
Balance Sheet, Page 1  
As of June 30, 1987

## Assets:

## Certificate Funds:

Acquisition Fund - with Treasurer	70,102.69
Acquisition Fund Invested	5,020,000.00
Acquisition Fund Investment Premium	<u>61,986.98</u>
Total Acquisition Fund	5,152,089.67

Clearing Fund - with Treasurer	1,480,886.76
--------------------------------	--------------

Lease Payment Fund - with Treasurer	57,892.42
-------------------------------------	-----------

Reserve Fund - with Treasurer	106,543.49
Reserve Fund Invested	3,855,000.00
Reserve Fund Investment Premiums	295,498.47
Reserve Fund Investment Discounts	<u>(9,041.96)</u>
Total Reserve Fund	4,248,000.00

Capitalized Interest Fund - with Treasurer	20,419.89
Capitalized Interest Fund Invested	<u>273,647.00</u>
Total Capitalized Interest Fund	294,066.89
Total Certificate Funds	11,232,935.74

## Receivable from Agencies:

New and Refinanced Equipment, 1985 Issue	4,527,737.03
Less: Advance Payments	<u>0.00</u>
Net Receivables: 1985 Issue	4,527,737.03

New and Refinanced Equipment, 1986 Issue	9,594,984.86
Less: Advance Payments	<u>(57,397.56)</u>
Net Receivables: New	9,537,587.30

Telecommunications Equipment	<u>19,013,878.26</u>
Total Receivables from Agencies	33,079,202.59

## Agency Equipment Purchases:

Redemption of 1985 Issue	
New and Refinanced Equipment	5,875,261.00
Telecommunications Equipment	<u>2,605,554.38</u>
Total Redemption	8,480,815.38

## 1986 Issue

New and Refinanced Equipment	9,458,259.40
Telecommunications Equipment	<u>6,573,818.93</u>
Total Purchases, 1986 Issue	<u>16,032,078.33</u>

Total Purchases, Gross	24,512,893.71
Prepmts. Reserved for Substitution	<u>(9,444.81)</u>
Total Purchases, Net	24,503,448.90

1986 Certificates of Participation  
Balance Sheet, Page 2  
As of June 30, 1987

## Other Assets:

Cost of Issuance	151,227.00	
Prepaid Expenses	681,889.37	
Accrued Interest Receivable	0.00	
Total Other Assets		<u>833,116.37</u>

## Total Assets

69,648,703.60  
~~~~~

Liabilities:

| | | |
|--|---------------|---------------|
| Certificates Payable | 33,725,000.00 | |
| Less: Unamortized Discount | (421,562.50) | |
| Certificates Payable Less Unamortized Discount | | 33,303,437.50 |

Deferred Revenue

| | | |
|--|---------------|---------------|
| New and Refinanced Equipment, 1985 Issue | 4,527,737.03 | |
| New and Refinanced Equipment, 1986 Issue | 9,537,587.30 | |
| Telecommunications Equipment | 19,013,878.26 | |
| Total Deferred Revenue | | 33,079,202.59 |

Agency Prepayments

32,991.08

Total Liabilities

66,415,631.17

Fund Balance:

| | |
|------------------------|---------------------|
| Revenues over expenses | <u>3,233,072.43</u> |
|------------------------|---------------------|

Total Liabilities and Equity

69,648,703.60
~~~~~

1986 Certificates of Participation  
Statement of Revenues and Expenses  
For the Period  
August 1, 1986 - June 30, 1987

## Revenues:

## Agency Receivables Collected:

New and Refinanced Equipment, 1985 Issue	2,008,547.82
New and Refinanced Equipment, 1986 Issue	1,635,015.89
Telecommunications Equipment	<u>293,482.14</u>
Total Receivables Collected	3,937,045.85

## Interest Earnings:

Acquisition Fund	453,136.07
Capitalized Interest	10,637.50
Clearing Fund	64,271.18
Lease Payment Fund	6,125.61
Reserve Fund	131,405.46
Redemption Account	<u>55,350.94</u>
Total Interest Earnings	720,926.76

Total Revenues

4,657,972.61

## Expenses:

Administrative Expenses	40,603.29
Amortization of Prepaid Expenses	(2,631.08)
Redemption Expense	55,350.84
Interest Expense	1,306,639.63
Amortized Discount	<u>24,937.50</u>
Total Interest Expense	1,331,577.13
Total Expenses	<u>1,424,900.18</u>

Revenues over Expenses

3,233,072.43  
~~~~~

1986 Certificates of Participation
Statement of Sources and Uses of Funds
For the Period
August 1, 1986 - June 30, 1987

Sources:

| | | |
|--|-------------------|---------------------|
| Certificate Proceeds | | 35,439,130.37 |
| Agency Receivables Collected | | |
| New and Refinanced Equipment, 1985 Issue | 2,008,547.82 | |
| New and Refinanced Equipment, 1986 Issue | 1,635,015.89 | |
| Telecommunications Equipment | <u>293,482.14</u> | |
| Total Receivables Collected | 3,937,045.85 | |
| Prepayments Reserved for Substitutions | 9,444.81 | |
| Other Prepayments | 32,991.08 | |
| Interest Earnings | | |
| Acquisition Fund | 453,136.07 | |
| Capitalized Interest | 10,637.50 | |
| Clearing Fund | 64,271.18 | |
| Lease Payment Fund | 6,125.61 | |
| Reserve Fund | 131,405.46 | |
| Redemption Account | <u>55,350.94</u> | |
| Total Interest Earnings | 720,926.76 | |
| Total Collected and Earned | | <u>4,700,408.50</u> |
| Total Sources | | 40,139,538.87 |

Uses:

| | | |
|--|---------------------|------------------------|
| Agency Equipment Purchases | | |
| Redemption of 1985 Issue | | |
| New and Refinanced Equipment | 5,875,261.00 | |
| Telecommunications Equipment | <u>2,605,554.38</u> | |
| Total Redemption | 8,480,815.38 | |
| 1986 Issue | | |
| New and Refinanced Equipment | 9,458,259.40 | |
| Telecommunications Equipment | <u>6,573,818.93</u> | |
| Total Purchases, 1986 Issue | 16,032,078.33 | |
| Total Purchases | | |
| Cost of Issuance | 151,227.00 | |
| Administrative Expenses | 40,603.29 | |
| Prepaid Expenses | 679,258.29 | |
| Redemption Expense | 55,350.84 | |
| Semi-Annual Lease Payment, P&I | <u>1,467,270.00</u> | |
| Total Uses | | <u>28,906,603.13</u> |
| Total Sources over Uses
(Current Cash Position) | | 11,232,935.74
~~~~~ |

Continued

29. COMMITMENTS FOR FUTURE YEAR OBLIGATIONS

The state of Kansas has some outstanding multi-year contracts that have not been recorded in the financial statements. The majority of those contracts relate to

construction contracts. Following is a schedule of these future year obligations outstanding June 30, 1987:

SCHEDULE OF FUTURE YEAR OBLIGATIONS

Obligations for Fiscal Year 1988

| <u>Agency/Fund</u> | <u>Amount</u> |
|--|------------------------|
| <u>State General Fund</u> | |
| <u>Kansas Correctional Institution at Lansing</u> | |
| Construct New Inmate Food Service and Support Programs Building | \$ 1,014,664.00 |
| <u>Industrial Reformatory</u> | |
| Replace Steam Lines | <u>213,564.00</u> |
| TOTAL STATE GENERAL FUND | <u>\$ 1,228,228.00</u> |
| <u>Special Revenue Funds</u> | |
| <u>Kansas State University</u> | |
| Restricted Fees Fund | \$ <u>89,160.00</u> |
| TOTAL SPECIAL REVENUE FUNDS | <u>\$ 89,160.00</u> |
| <u>Capital Project Funds</u> | |
| <u>Kansas State University</u> | |
| Kansas Educational Building Fund - | |
| Renovate and Construct Addition to Weber Hall | \$ 1,533,703.00 |
| Construct Chemistry-Biochemistry Building | 4,152,000.00 |
| <u>Pittsburg State University</u> | |
| Kansas Educational Building Fund-Remodel Porter Hall | 181,943.00 |
| <u>Osawatomie State Hospital</u> | |
| State Institutions Building Fund-Roof Repair and Replacement Program | 71,500.00 |
| <u>Parsons State Hospital</u> | |
| State Institutions Building Fund-Institutional Major Maintenance Program | 77,379.00 |

Continued - Note 29

Obligations for Fiscal Year 1988

Agency/Fund

Capital Project Funds (Continued)

Amount

Wichita State University

Kansas Educational Building Fund-Addition to
and Remodeling of Ablah Library

\$ 2,430,523.64

TOTAL CAPITAL PROJECTS

\$ 8,447,048.64

Total for Fiscal Year 1988

\$ 9,764,436.64

Obligations for Fiscal Year 1989

State General Fund

Kansas Correctional Institution at Lansing

Construct New Inmate Food Service
and Support Programs Building

\$ 339,836.00

TOTAL STATE GENERAL FUND

\$ 339,836.00

Capital Project Funds

Kansas State University

Kansas Educational Building Fund-Construct
Chemistry-Biochemistry Building

\$ 500,000.00

Wichita State University

Kansas Educational Building Fund-Addition to
and Remodeling of Ablah Library

709,149.00

TOTAL CAPITAL PROJECT FUNDS

\$ 1,209,149.00

Total for Fiscal Year 1989

\$ 1,548,985.00

Total Future Year Obligations

\$11,313,421.64

Continued

30. INMATE, PATIENT AND CLIENT MONIES

Represents the amount of Inmate, Patient and Client Monies held by state agencies in trust and canteen and benefit funds (See

Section VIII, Trust and Agency Funds Comparative Combined Balance Sheet). The amounts by agency are as follows:

| <u>Agency</u> | <u>Trust Funds</u> | <u>Canteen and
Benefit Funds</u> |
|--|---------------------------|--------------------------------------|
| Correctional-Vocational Training Center | \$ 14,339.17 | \$ 14,568.48 |
| Kansas Correctional Institution at Lansing | 52,574.89 | 34,216.68 |
| Industrial Reformatory | 58,608.38 | 127,103.70 |
| Youth Center at Topeka | 47,248.73 | 22,835.70 |
| Youth Center at Beloit | 13,067.82 | 11,639.41 |
| Youth Center at Atchison | 9,763.10 | 5,806.20 |
| Kansas Neurological Institute | 56,871.37 | 21,482.62 |
| Larned State Hospital | 59,585.58 | 140,665.83 |
| Osawatomie State Hospital | 39,546.93 | 95,307.85 |
| Parsons State Hospital and Training Center | 63,452.36 | 24,906.89 |
| Department of Corrections | 2,203.34 | 10,071.35 |
| El Dorado Honor Camp | 592.87 | 5,706.58 |
| Toronto Honor Camp | 34,633.29 | 3,968.80 |
| Wichita Work Release Center | 2,902.63 | 9,673.37 |
| Topeka Pre-Release | 3,302.16 | 13,911.53 |
| Winfield Pre-Release | 134,526.43 | 200,400.57 |
| Penitentiary, State | 3,383.13 | 13,649.28 |
| Kansas Reception and Diagnostic Center | 0.00 | 33.16 |
| Rainbow Mental Health Facility | 43,290.30 | 36,895.02 |
| Norton State Hospital | 3,768.93 | 9,612.42 |
| School for the Visually Handicapped | 11,138.15 | 719.94 |
| School for the Deaf | 3,279.08 | 0.00 |
| Dept. of Soc. & Rehab. Services, | | |
| Voc. Rehab. Units | 395.00 | 0.00 |
| Kansas Soldiers Home | 111,026.74 | 34,571.28 |
| Topeka State Hospital | 30,733.68 | 46,451.33 |
| Winfield State Hospital and Training Center | <u>235,547.12</u> | <u>91,516.20</u> |
|
TOTAL INMATE, PATIENT AND CLIENT MONIES
HELD IN CUSTODIANSHIP |
<u>\$1,035,781.18</u> |
<u>\$975,714.19</u> |



SECTION XIII

DIRECTORY OF STATEMENTS

INCLUDED IN VOLUME II

STATEMENTS INCLUDED IN VOLUME II

Analysis of Appropriation Accounts--Schedule "A"

Statement of Change in Fund Balance--Schedule "B"

State of Revenue--Schedule "C"

Analysis of State Tax Accounts--Statement "C"

Analysis of State Tax Accounts by County--Schedule "C-I" and "C-II"

Valuation and Tax Levied--Schedule "C-III"

Estimated Motor Vehicle Taxes--Schedule "C-IV"

Receipts from Counties--Statement "D"

Comparison of Expenditures (Including Encumbrances)
Applicable to Fiscal Year 1987 with Legislative
Appropriation Limitation--Schedule "D"

Retail Sales Tax Receipts by Counties--Statement "E"

Cross Reference Index--Section XV